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Debut of AEC

Budget Plan for 1956-57

Sohyo's Spring Offensive

Japan's Economic Course in 1956

Liberalization of Foreign Exchange

Diet and Two Parties

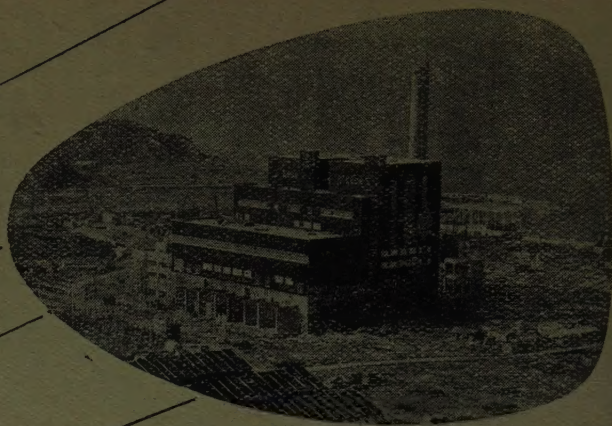
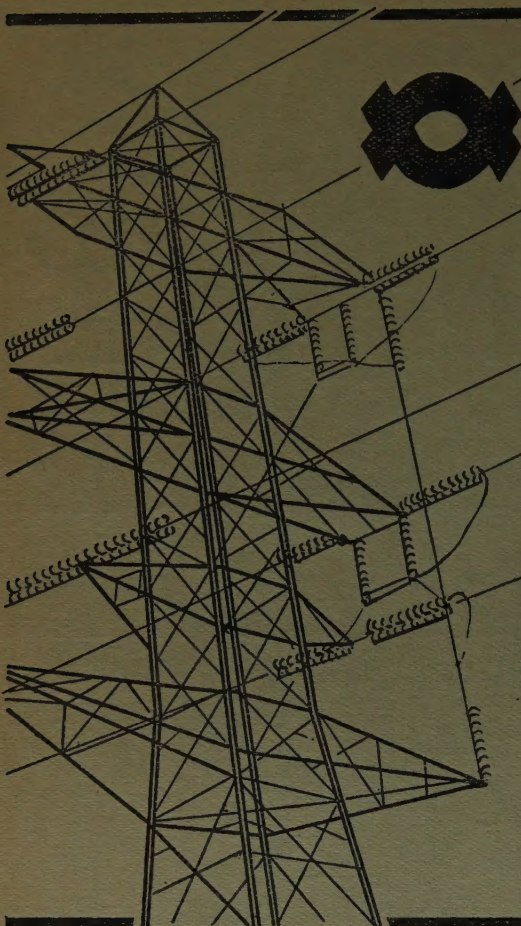
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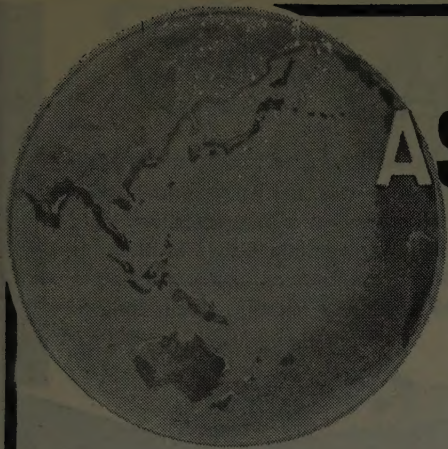
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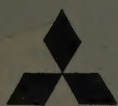
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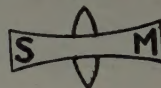
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Review of the Month

THE Government formally decided on the ¥1,034,922 million budget for the 1956-57 fiscal year (starting in April) at a Cabinet meeting on January 20. The announcement of the 1956-57 budget plan came with unexpected swiftness in the wake of

an early agreement between Tokyo and Washington on Japan's share of the joint defense expense, but the compilation work encountered some difficult sledging at the last stage due to the pressure brought to bear on the Ministry of Finance by the Liberal-Democrats desirous of having some expense items revived. The original budgetary plan drafted by the Ministry of Finance had to be revised twice for the reappropriation of expense items amounting to some ¥30,000 million and the ¥1,030,000 million frame which the Government had set for the 1956-57 spending was eclipsed by nearly ¥5,000 million.

The 1956-57 budget exceeds the 1955-56 budget by about ¥43,000 million, but the increased portion is apparently bound for unproductive spending like the expenses for defense and reparations, pensions for ex-soldiers and a larger tax redistribution to local governments. Many of the expense items revived by the pressure of the Government Party, on the other hand, are claptraps bound for Liberal-Democratic constituencies such as those for public works projects or subsidies for local public bodies. In order to seek fresh sources of revenue for revived expense items, the Government has been compelled to depend on last reserves, and the flexibility of the budget has been markedly weakened. Hence, some supplementation of the budget is certain to become inevitable sooner or later.

In the revenue phase, the ¥51,000 million increase of the income from taxes and stamps is outstanding. This is attributed to the expected natural gain of the tax income due to the estimated 4 percent hike of national income in fiscal 1956-57. New income sources such as the advance of the sugar import duty, a new tax on corporate social expenses and the curtailment of the exemptions for retirement allowance reserves will make possible the new income tax cut for wage-earners due to start from July.

In the expenditure phase, the expenses for social protection and education are to remain substantially unchanged in fiscal 1956-57 except for a meagre increase necessary to cope with the natural increase in the number of beneficiaries. On the other hand, the increases of the pension for ex-soldiers and the expenses for defense and accessory operations are tremendous. The overall defense expenses total ¥140,765 million, a sharp increase of ¥8,000 million over those for fiscal 1955-56, despite a cut of Japan's share in the joint defense expense. The defense expenses

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comprise ¥100,200 million for the Defense Board (an increase of ¥13,400 million over fiscal 1955-56), ¥10,565 million to cover expenses for facilities offered for the use of the U.S. Forces in Japan (a gain of ¥2,000 million and inclusive of ¥750 million for the American Military Advisory Group) and ¥30,000 million as Japan's share of the joint defense expense (a decrease of ¥8,000 million).

1. FISCAL 1956 BUDGET

(In million yen)	Fiscal 1955	Fiscal 1956	Increase or (→) Decrease
Revenue:			
Taxes & Stamps.....	774,818	826,717	51,899
State Monopoly.....	117,490	112,713	(→)4,777
Gov't Enterprises.....	12,205	13,619	1,414
Disposition of State Properties	7,146	7,722	576
Miscellaneous Incomes.....	38,991	36,087	(→)2,904
Surplus Carried Over from			
Previous Fiscal Year	40,807	38,064	(→)2,743
Total.....	991,457	1,034,922	43,465
Expenditures:			
Social Protection			
Livelihood Protection	34,835	36,247	1,412
Juvenile Protection & Other			
Social Welfare Activities....	7,507	7,555	48
Aid to Bereaved Families &			
Families of Unrepatriated ..	4,606	5,009	403
Social Insurance.....	12,387	16,088	3,701
Unemployment Measures	28,884	35,177	6,293*
Anti-TB Measures	12,995	13,368	373
Subtotal.....	101,214	113,444	12,230
Education			
Subsidy for Compulsory			
Education.....	73,700	76,910	3,210
State Schools	30,863	33,408	2,545
Educational Facilities	8,457	8,065	(→) 392
Scholarship	4,198	4,201	3
Subtotal.....	117,218	122,584	5,366
Promotion of Scientific			
Technology	8,335	11,456	3,121
Government Bonds.....	43,357	38,440	(→)4,917
Pensions			
Pension for Gov't Official	16,400	17,342	942
Pension for Ex-soldiers	66,936	72,630	5,694
Subtotal.....	83,336	89,972	6,636
Redistribution of Taxes for			
Local Governments	137,403	162,810	25,407
Defense Expenses	132,765	140,765	8,000
Reparations Expense, Etc.	10,000	10,000	0
Public Works	(150,079)	(151,397)	(1,318)**
Housing Measures	146,589	141,497	(→)5,092
State Fund Loans and Investments	17,347	10,347	(→)7,000
Subsidy for Interest on Loans	4,000	0	(→)4,000
for Construction of Ocean-			
Going Vessels	3,507	3,132	(→) 375
Reserves	8,000	8,000	0
Miscellaneous	178,386	182,475	4,089
Total.....	991,457	1,034,922	43,465

* Inclusive of the special unemployment measures (¥3,500 million) and the employment aid measures (¥6,900 million).

** Parenthesized figures inclusive of the special unemployment measures and the employment aid measures.

Subject to minor changes.

In the public works expense which as a whole slipped from the 1955-56 total, spending for local enterprises such as riparian improvement, forest conservation, food production and road reconstruction has been either increased or left intact at the 1955-56 mark because of the pressure of the Government Party. The expense for the tax redistribution to local governments is increased by ¥25,000 million principally because of the lifting of the redistribution rate by 3 per cent from 22 percent to 25 percent. The per-

centage breakdown of major expenses in the expenditure stands as follows:

2. MAJOR EXPENSE ITEMS

	Fiscal 1955-56	Fiscal 1956-57
Social Protection	10.2%	10.9%
Education	11.8	11.8
Pensions	8.4	8.6
Tax Redistribution for Local Governments	13.8	15.7
Defense	13.3	13.6
Reparations	1.0	0.9
Public Works	14.7	13.6
Housing	1.7	0.9
Total Expenditure (including Others)	100.0%	100.0%

Source: Compiled by *The Oriental Economist*.

THE Government has decided on the ¥259,260 million frame for the state fund loans and investments plan for fiscal 1956-57. This is a decrease of ¥17,430 million from the 1955-56 scale. On the other

STATE FUND LOANS & INVESTMENTS

hand, the Government plans to make use of the estimated ¥136,900 million private funds through the flotation, transfer and other manipulations of debentures, a gain of some ¥74,600 million over fiscal 1955-56. Thus, the combined total represents an increase of ¥56,170 million in the amount of funds at the disposal of the Government. In view of comfortable increases in the amount of financial funds available and the size of the expenditure in the general account, it appears certain that the Government activities in fiscal 1956-57 are bound to broaden markedly. The positive utilization of private funds to supplement the scarcity of State funds is the most important feature of the 1956-57 State fund loans and investments program. In this respect, it cannot be ignored that the greater the Government's dependence on private funds the larger

3. GOVERNMENT INVESTMENT PLAN FOR FISCAL 1956-57

(In ¥100 million)

	Gov't funds	Bonds & loans	Total
I. Private quarters:			
Development Bank	80 (305)	— (—)	80 (305)
Power Resources Dev. Corp.	301.8 (308.5)	70 (30)	371.8 (338.5)
Export-Import Bank	245 (220)	— (—)	245 (220)
Agr., Forestry &			
Fisheries Fin. Corp.	210 (205)	— (—)	210 (205)
People's Finance Corp.	125 (110)	— (—)	125 (110)
Small Bus. Fin. Corp.	135 (120)	— (—)	135 (120)
Central Bank for Com. & Ind. 10(20)** (10)	— (—)	— (—)	10(20) (10)
Housing Loan Corp.	196 (190)	— (—)	196 (190)
Housing Corp.	109 (98)	100 (52)	209 (150)
Workers' Welfare	55 (45)	— (—)	55 (45)
Road Corporation*	30 (25)	50 (—)	80 (25)
Teito Rapid Transit	15 (10)	25 (9)	40 (19)
Int. Aviation	10 (10)	— (—)	10 (10)
Agricultural Development ..	88.8 (30)	— (—)	88.8 (30)
Hokkaido Development			
Loan, Corp.*	40 (—)	40 (—)	80 (—)
Tohoku Kogyo K.K.	2 (1)	— (—)	2 (1)
Petroleum Resources			
Dev. Corp.	7 (—)	— (—)	7 (—)
Productivity Center	10 (1.5)	— (—)	10 (1.5)
Bank Bonds underwriting ..	— (28.9)	— (—)	— (28.9)
Subtotal.....	1,669.6 (1,717.9)	285 (91)	1,954.6 (1,808.9)
II. Gov't enterprises:			
National Railways	55 (115)	220 (125)	275 (240)
Nippon Tel. &			
Tel. Public Corp.	— (—)	85 (75)	85 (75)
Postal services	18 (10)	— (—)	18 (10)
Reclamation fund	10 (10)	— (—)	10 (10)
Subtotal.....	83 (135)	305 (200)	388 (335)
III. Local bonds	840 (914)	290 (230)	1,130 (1,144)
Grand total	2,592.6 (2,766.9)	880 (521)	3,472.6 (3,287.9)

* Provisional names. ** Parenthesized figure included ¥1,000 million for the Production Centre.

Notes: Parenthesized figures are for fiscal 1955-56.

former stand higher than those for the State funds. In the distribution of State loans and investments, funds bound for industrial financing machines such as the Export-Import Bank or the Japan Development Bank are likely to decline while the flow to the monetary institutions like the Small Business Finance Corporation, the Agricultural, Forestry and Fisheries Finance Corporation and the People's Finance Corporation or public corporations such as the Housing Loan Corporation, the Road Construction Corporation and the Hokkaido Development Corporation will increase. It is equally likely that such public corporations will float corporation bonds to mobilize private funds to supplement the shortage of State funds. This will mark a prelude to the advent of industrial bonds to be issued in their wake. Thus, the new State fund loans and investments plan is destined to give rise to many monetary problems.

JAPAN took a definite step towards the peaceful utilization of atomic energy with the inauguration of the Atomic Energy Commission within the Prime Minister's Office on January 1. The Atomic Energy Commission is the first government organ invested with the supreme powers to decide on the policies for utilizing atomic energy in this country. This commission was created under the provisions of the Fundamental Law on Atomic Energy and the Law for the Organization of the Atomic Energy Commission approved at the 23rd extraordinary session of the Diet in December, last year. Simultaneously, the Atomic Energy Bureau was created also within the Prime Minister's Office to serve as the executive organ of AEC. The Fundamental Law on Atomic Energy provides that the study, development and utilization of atomic energy in this country must be strictly confined to peaceful purposes, that they must be conducted freely under democratic management and that their results must be made public. The Fundamental Law on Atomic Energy, as its name signifies, serves as the pivot of all legal and administrative measures controlling the utilization of atomic energy in this country. The functions of the Atomic Energy Commission are concretely outlined in the Law for the Organization of the Atomic Energy Commission. The functions of AEC are extensive. It is authorized to plan, discuss and decide on the details of all major activities for the utilization of atomic energy. The Prime minister is required to respect such decisions by AEC. Under this law, a State Minister is required to serve as the chairman of the Commission. The Commission is a five-man organization with State Minister Matsutaro Shoriki as chairman. The four other members are Ichiro Ishikawa, noted financier and industrialist, representing financial circles, Dr. Hideki Yukawa of the Nobel Prize fame and Prof. Yoshio Fujioka of Tokyo Education University, representing scientific circles and Prof. Hiromi Arisawa of Tokyo University representing labor circles.

To mark its inception, the Commission, in the name of Chairman Shoriki, issued a statement on January 13 outlining its aim and activity. The statement, in sum, declared that the Commission aims at making atomic power generation possible within five years, realizing the utilization of isotopes in medicine, the cost of raising funds, as money rates for the

cine, agriculture and industry and importing from the United States to that end research reactors and enriched uranium to pave the way for the independent study and researches of Japan's own.

Thus, Japan has got itself ready for its positive advance towards the peaceful utilization of atomic energy, but the real work is yet to begin. Before the 24th ordinary session of the Diet opening from January 25 will be laid four atomic energy bills based on the Fundamental Law on Atomic Energy, namely, the Atomic Energy Institute Law, the Atomic Energy Public Corporation Law, the Nuclear Development Acceleration Law and the Law for the Prevention of Radioactive Damages. Meanwhile, the Government has earmarked ¥3,600 million for the expense of the Atomic Energy Commission for the fiscal year of 1956-57 including ¥1,600 million in contract authorization.

THE recent statement of Sohyo (General Council of Japanese Trade Unions) declaring its readiness to embark upon a general strike is causing great concern to the masses. In this statement, Sohyo announced its plan to carry out a general strike as the pivot of its spring wage raise offensive.

The strike is due to come in several waves with the first scheduled for February 15 and to culminate in the fourth wave between March 18 and 21. Sohyo clarified that the proposed strike might be further prolonged if the situation should so demand. It is estimated that more than 4,000,000 unionists including government and public workers and members of private unions will be mobilized to take part in the strike. The wage-raise demands in the spring offensive average about ¥2,000 monthly.

Japan has become economically better off since last autumn with production hiking and business profits swelling, and workers are entitled to ask for a share in increased profits. On the other hand, the foundation of the Japanese economy is still too fragile to withstand overseas competitions. Capital accumulation in Japanese business and industry today is far smaller than prewar. The rate of effective depreciation against the sales incomes, which stood at 5.4 percent for the second half of 1935, slipped to only 2.6 percent for the like half of 1954. The rate of internal reserves against the sales also declined sharply. It reached 3.6 percent in the first half of 1936 but dropped to 1.3 percent in the first half of 1954. Standing on such a weak foundation, the Japanese economy is likely to totter at the first sign of overseas business recession. The present world boom may retain its pace into the latter half of this year, but no further jump is predictable. With all those surrounding circumstances taken into account, it is easily understandable that the scope of the spring wage struggle by Japanese workers should have a limit. Employers, on their part, cannot expect that the simple insistence on the need of capital accumulation will settle the wage problem. They should know that the key to the equitable solution of wage disputes exists in the fair and rational division of the swelling profits among trade unions, capital accumulation, consumers and share-holders. Unions should also be conscious that any struggle in disregard of economic conditions is bound for failure.

Business Indicators

Consumer Demand:—Consumer demand picked up sharply during the last two months of 1955, as well indicated by the marked increases of department store sales in November and December. The proceeds of department stores in November eclipsed the sales in the corresponding month in 1954 by nearly 20.0%. Animation continued into December with the sales for the first 25 days registering an equally notable gain. Garments including shirts, undershirts and socks and foodstuffs such as sugar, tinned food and alcoholic drinks topped the list of best sellers and merchandise coupons also sold fair. Much in demand too were heaters, lighting fixtures, electric appliances and synthetic fibre blankets. On the other hand, Gentlemen's suits, woollen yarn, mufflers and gloves did not enjoy big sales due to the advent of an extremely warm spell. The sales began to mark time in the last several days of December (up 14.3% over a year ago). The early close of year-end purchases was due principally to 1) Earlier payments of year-end bonuses by governmental offices and private concerns which enabled wage-earners to start and complete year-end purchases earlier than usual; 2) The increasing tendency among the Japanese people to attach greater importance to Xmas gifts than to New Year presents; and 3) The advent of a warm spell which discouraged the sales of winter items.

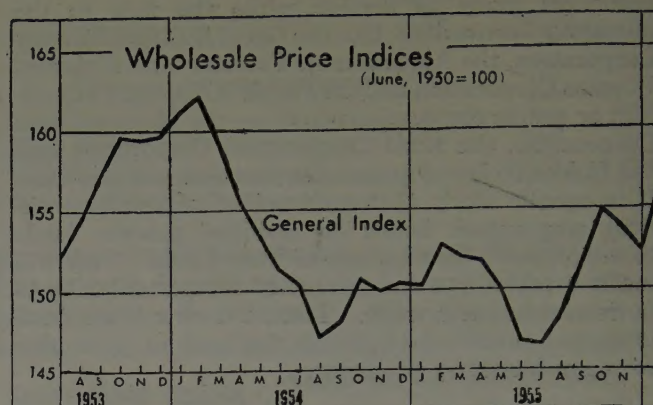
Department store sales continued fair into the New Year. The latest agrarian boom, however, did not manifest itself in the form of increasing purchases by farmers during the year-end and New Year seasons as they were still busily engaged in harvesting or sowing wheat or barley. Hence, it will be after the New Year according to the lunar calendar (generally observed by farmers in February) and during the spring picnic season that farmers begin to make active purchases in urban areas.

1. DEPARTMENT STORE SALES

	1953-54		1954-55	
	¥100 million	Indices (A year ago as 100)	¥100 million	Indices (A year ago as 100)
April	153.5	115.5	166.3	108.3
May	141.3	111.3	147.9	104.7
June	137.3	112.1	147.1	107.2
July	182.4	113.1	193.1	105.9
August	142.4	102.7	138.7	108.1
September	111.3	99.4	124.5	111.9
October	173.0	113.0	173.7	100.4

Source: Compiled by *The Oriental Economist* from MITI figures.

Prices:—On the strength of active consumer demands, the wholesale prices remained stiff from the year-end through the New Year. The prices of foodstuffs grew particularly firm during the year-end season due to active sales of New Year items and the seasonal dip of raw fish supplies. This was a striking contrast to the trend at the close of 1954 when the prices tended downward under the impact



of deflation. The price hike of metals was still sharper with the average in the first week of January this year 26.5% higher than the average in the like week in 1955. The continued export activity, the stiff overseas market and the domestic supply stringency were the major stimulants to the prices of metals. Steel plates have been especially short-supplied in recent months because of active demands from shipbuilders. Under the circumstances, the elevation of the prices of iron and steel are expected inevitable, to be followed by non-ferrous metals such as copper and lead. Hence, the prices of metals are bound to continue adamant for some time to come. Sundries (including paper, pulp, rubber and hides-leathers) followed metals and foodstuffs with a gain of 7.0% apparently because of the stiffness of crude rubber on the overseas market. Equally upward were chemicals due to the strength of fertilizers and soda while fuels also remained strong because of the seasonal demand increase. On the other hand, building materials slipped by 7.0% during the past year as the prices of lumber, which had unreasonably gained due to the 1953 flood damages, made a reactionary drop. Textiles and machinery also softened. Thus, the wholesale prices during the one year ending January this year continued fairly stiff with those of iron-steel and non-ferrous metals predominating. In addition to the march of metals, the price of industrial salt for the soda industry is

2. WHOLESALE PRICE INDICES

(June, 1950=100)

	Jan., 1955	June 1955	Oct., 1955	Dec., 1955	Jan., 1956
Total Average	151.0	146.9	155.0	153.5	157.9
Foodstuffs	155.0	137.4	153.6	143.9	157.1
Textiles	91.6	88.8	88.3	89.0	89.7
Fuels	158.4	157.5	158.7	160.4	160.4
Metals	200.6	211.4	240.6	244.6	253.8
Machinery	180.2	180.6	177.2	175.2	175.4
Building Materials	221.4	206.0	208.3	206.7	206.1
Chemicals	100.5	101.4	102.1	104.0	104.1
Sundries	130.7	135.9	139.9	140.0	139.7
Consumer Goods	145.9	132.8	144.8	138.8	147.6
Producer Goods	153.8	154.6	160.4	161.5	163.5
Total Average minus Foodstuffs ..	150.1	149.9	155.3	156.5	158.2

Note: As of mid-month.

Source: Economic Planning Board.

bound to rise and this in turn will boost the prices of soda products and chemical textiles. The much-discussed elevation of railway charges, if realized, will also give an additional impetus to the upward trip of the prices which have already been markedly strengthened by the advance of imported raw materials due to climbing freight rates.

Production:—Production in November, 1955 registered another postwar high with the average index standing at 192.3, 2.9% higher than the October average. The sharpest gainer in November was the foodstuffs group which rose 8.9%, followed by textiles, up 5.0%, and chemicals, up 4.0%. The advance of textiles was chiefly due to the alleviation of the production curtailment rate from 16.0% to 12.0%.

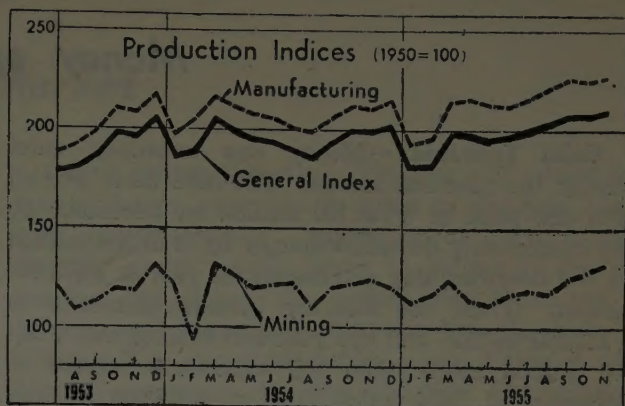
The production in November (mining and manufacturing inclusive) was 13.1% larger than the figure in November, 1954. On the list of gainers, metals took the leadership with the gain of 23.2% due to active domestic demands and brisk exports. Chemicals came second by advancing about 20.0% while machinery, ceramics, rubber-leathers and foodstuffs also registered hikes ranging from 10.0% to 18.0%, respectively. With plentiful supplies due to active production serving as a brake to the price advances, no sudden price soaring because of supply shortages is likely.

3. NOVEMBER PRODUCTION INDICES (1934-36 average=100)

	Oct., 1955	Nov., 1955	Against Oct., 1955	Against Nov., 1954
Mining-Manufacturing	186.9	192.3	102.9	113.1
Mining	124.0	126.7	102.2	104.9
Manufacturing	195.6	201.2	102.9	113.8
Foodstuffs	204.8	223.1	108.9	109.4
Textiles	87.3	91.7	105.0	103.6
Printing, Bookbinding	131.6	129.4	98.3	106.8
Chemicals	323.0	336.0	104.0	119.2
Rubber, Leathers	198.3	191.6	96.6	112.0
Lumber & Wood Products ..	189.3	189.3	100.0	104.2
Ceramics	188.4	192.1	102.0	113.3
Metals	230.5	232.1	100.7	123.2
Machinery	264.9	266.5	100.6	117.9

Source: Economic Planning Board.

Inventories:—Despite mounting production, inventories held by manufacturers have been on the decrease. For instance, the Ministry of International Trade and Industry survey shows that November-end inventories were 1.1% smaller than a month ago and 12.9% less than a year ago. The slip was particularly noteworthy with non-ferrous metals which dropped by 40.0%. Paper and pulp lost 17.1%, iron and steel receded 16.5% and textiles retreated 12.2%. The decreases were almost overall for all sectors with the exception of rubber, chemicals and ceramics which made slight increases. In view of the fact that manufacturers' stocks at the end of November, 1954 were somewhat abnormally large, the declines during the one year which followed may not be particularly encouraging. Nevertheless, the steady diminution of inventories in the face of rising production is still a fair indicator of brisk exports and active domestic demands. But the inventories in the



hands of merchants and the stocks of raw materials were on the increase. Merchants' inventories as of the end of October, 1955 were nearly 14.0% larger than a year ago apparently because of active stocking operations to prepare for brisk year-end sales. Stocks of raw materials also gained more than 2.0% as compared with those a year ago due to smooth imports. Although manufacturers' inventories dipped, goods in process made a fair increase. All in all, there were no signs of overproduction in view of the November-end state of inventories, except for some textile and food items.

4. INDICES OF MANUFACTURERS' INVENTORIES (1950 average=100)

	Oct., 1955	Nov., 1955	Against Oct., 1955	Against Nov., 1954
Mining-Manufacturing	140.0	138.4	98.9	87.1
Mining	104.2	92.3	88.6	64.1
Manufacturing	144.6	144.3	99.8	89.7
Iron & Steel	171.6	165.1	96.2	83.5
Non-ferrous Metals	69.5	65.4	94.1	60.3
Machinery	159.4	160.5	100.7	94.3
Textiles	111.2	108.6	97.7	87.8
Paper, Pulp	278.7	285.4	102.5	82.9
Chemicals	244.9	262.5	107.2	108.5
Petroleum, Coal Products ..	145.6	148.6	102.1	98.6
Ceramics	144.7	143.3	99.0	101.2
Rubber Goods	146.3	165.4	113.1	111.6
Hides, Leathers	105.8	103.9	98.2	96.8
Others	85.4	88.4	103.5	96.8

Source: Ministry of International Trade & Industry.

Living Cost:—Affected by the slipping wholesale prices, the living cost in December dropped 0.3% from the November level and also from the corresponding level in December, 1954. The declines of the expenses for food (staple and non-staple inclusive) and clothing were the major brakes. On the other hand, the housing expense rose sharply by 6.2% as compared with that a year ago, as rents continued to rise to catch up with the levels of other commodity prices which stood comparatively higher.

5. TOKYO CONSUMER PRICE INDICES (1951=100)

	Nov., 1955	Dec., 1955	Against Nov., 1955	Against Dec., 1954
Total Average	115.5	115.2	99.7	99.7
Foodstuffs	111.0	110.1	99.1	98.7
Staple	123.5	121.7	98.5	97.8
Non-staple	104.4	104.0	99.6	99.1
Clothing	82.2	82.0	99.8	99.0
Light-Fuel	138.8	139.4	100.4	98.9
Housing	138.0	133.2	100.2	106.2
Miscellaneous	138.3	139.0	100.5	100.8

Source: Bureau of Statistics, Prime Minister's Office.

Money and Banking

Calm Year-End:—Money was unusually quiet during the year-end season. The note issue swelled to a new peak of ¥743,100 million on December 30 but immediately dwindled sharply by ¥69,200 million on the following day and passed the year at ¥673,800 million. Thus, the monthly increase amounted to ¥114,500 million and the year-end balance was ¥51,800 million larger than the equivalent balance on December 31, 1954 which stood at ¥622,000 million. The marked swelling of note issue during 1955 was attributable to two major reasons: 1) The notable expansion of the scale of economic operations including the estimated 7% increase of national income during fiscal 1955; and 2) The abolition in late 1955 of the emergency cash transfer system (a system of delayed cash transfers from the Bank of Japan to city banks). The year-end balance of note issue, however, was still ¥16,200 million smaller than the original estimate by the Ministry of Finance and the Bank of Japan which placed the outstanding balance as of December 31 at around ¥690,000 million.

On the other hand, Bank of Japan advances shrank by ¥32,200 million during December with the year-end balance standing at ¥31,900 million. The ¥31,900 million outstanding balance comprised mostly low-rate loans for export financing with almost no advances bearing interest higher than the official 2 sen rate per diem. The decrease of Bank of Japan loans is a direct indicator of the easy money situation. In addition, the city banks accepted some ¥40,400 million worth of the food notes held by the Bank of Japan during the year-end operations, another proof of an extremely calm market in which money passed the year-end into 1956. The most important reason for the unexpected quiet which marked the year-end money market was the huge ¥179,200 million excess of financial payments during December (¥108,700 million in December, 1954) due to quota rice payments, year-end bonuses for public workers and active exports.

1. MONEY IN DECEMBER (In ¥100 million)

	1955	A year ago
Note issue (End of November).....	5,593	5,421
Note issue (End of December).....	6,738	6,220
Increase	1,145	799
Bank of Japan credit (A)	(-) 647	(-) 288
Discounts & loans.....	(-) 322	(-) 556
Govt. payment excess (B)	1,792	1,087
(A)+(B)	1,145	799

Source: Compiled by the Bank of Japan.

Money in 1955:—The increasing tendency towards easy money was an outstanding feature of the Japanese economy in 1955. During the year under review, the Bank of Japan loans sharply declined by ¥211,400 million from ¥243,300 million (as of December 31, 1954) to ¥31,900 million. Moreover, idle funds in private quarters were actively absorbed through selling operations by the Bank of Japan. Thus, the so-

called state of overloans on the part of the city banks virtually disappeared. The call loan market, too, slackened at a swift tempo and call rates dropped quickly. The city money rates also began to slip as monetary institutions grew increasingly eager to lend money. Roughly speaking, three major reasons are responsible for the advent of this easy money situation. First, payment excesses of financial funds continued unabated throughout the year. During 1954, the Treasury-to-public balance amounted to ¥84,300 million, and this payment excess further swelled to ¥288,700 million in 1955. On the other hand, the increase of note issue during 1955 amounted to only ¥51,800 million with the result that the balance mostly found its way to the Bank of Japan in the form of loan repayments. The payment excess of financial funds during 1955 was roughly divided into ¥166,900 million in the Foreign Exchange Account, ¥76,200 million in the Food Control Account and ¥45,600 million in other accounts. Second, the shortage of financial funds was filled by the acceptance of short-term governmental notes (foreign exchange or food notes) by the Bank of Japan or the sales of government-held foreign currencies by the same bank. Had such financial funds been raised through the medium of the city banks instead of the Bank of Japan, money would not have become so easy. Third, the inflationary sentiment was entirely absent in the market despite brisk exports and bumper crops and demands for funds continued to remain inactive. In other words, funds released through the financial payment excess were absorbed in the form of deposits or loan repayments and were not spent for consumption or investment.

2. MONEY IN 1955 (In ¥100 million)

	1955	1954
Note issue	518	(-) 78
Bank of Japan loans	(-) 2,114	(-) 554
Govt. payment excess	2,887	843
Deposits (all banks)	5,085	2,949
Loans (all banks)	2,837	2,406

Notes: Figures denote increase or (−) decreases. Bank deposits are real deposits.

Source: Compiled by *The Oriental Economist*.

Bank Deposits Up:—The increase of deposits at all banks during 1955 totalled ¥686,600 million (¥329,000 million in 1954) and the gain of real deposits (exclusive of bills, cheques and foreign currency deposits) amounted to ¥508,500 million (¥294,900 million in 1954). The sizable excess of financial payments was chiefly responsible for this encouraging trend. The deposit increase was particularly brisk with the banks in city areas closely related to export trade with the 1955 gain of real deposits reaching ¥342,000 million. On the other hand, the increase of loans in 1955 amounted to ¥283,700 million as compared with ¥240,600 million in 1954.

Stock Market

Calm but Stiff:—The stock market started 1956 with the share prices calmly stiff at the opening session of the year on January 4. The Dow-Jones average of the 225 pivotals as of January 4 stood at ¥428.59, ¥2.90 higher than the corresponding average of ¥425.69 as of the last session of 1955 on December 28. The average further climbed to ¥430.57 on January 6, the second highest postwar peak coming next only to the average of ¥431.01 on November 14, 1953. The market began to soften later due to evening-up operations by profit-taking sales, but the undertone remained firm with the January 12 average still maintained at ¥427.38. As the stock prices continued steady, transactions were also brisk. During the two weeks from January 4 to 12, the average daily volume of turnovers stood at 19,151,000 shares, the highest in recent years. The complete absence of any speculative elements is a special feature of the New Year animation of the stock market which was quietly bullish.

1. SHARE PRICES AND TURNOVERS

Year & Month	Share Prices (In yen)			Average Daily Turnovers (In 1,000 shares)
	High	Low	Average	
1955: January	378.74	361.10	370.74	9,156
February	380.45	366.99	374.82	8,864
March	362.60	346.08	354.69	4,453
April	355.98	345.89	351.39	3,996
May	352.51	347.57	349.83	4,359
June	351.20	348.05	354.47	5,467
July	357.50	351.25	355.56	5,585
August	387.12	365.67	377.48	9,693
September	388.42	388.13	386.15	8,831
October	410.29	385.57	401.47	12,080
November	410.36	393.28	401.53	12,115
December	425.69	398.11	409.81	15,992
1955 average	425.69	345.89	374.00	8,351
1956: January	430.57	423.26	427.43	19,151

Source: *The Oriental Economist*.

Responsible for the firmness of the market tone is the continued strength or rather the further permeation of the various supports which spurred the market in the latter months of 1955. The prospects are increasing that the world business pickup, particularly the boom in the United States, will continue further, heralding a better showing of Japanese export trade this year. The low money rate, which was another cardinal stimulant to the stock market last year, is certain to continue as money is bound to grow easier under the impact of fair exports. More business and industrial corporations are expected to report better results for the term ending March or September this year. On the other hand, the long-awaited resumption of time transactions is expected to be realized in the near future much to the relief of securities financing. It was on the strength of those tangible supports that the stock market started the New Year firm and steady.

Heavy Industrials Up:—Shipping and heavy industrial issues were the favorites in the New Year stock market upswing. As shown in Table 2, the shipping group topped other 13 groups in the increasing rate during the period from December 1 last year and January 12 this year with the gain of 27.46%. The iron-steel-metals group followed the shipping group with the hike of 21.05%. The fisheries group ranked third by gaining 12.34% chiefly due to the encouraging results of Japanese whaling expeditions last year. The animation of heavy industrials was also responsible for the 12.25% hike of the shipbuilding-machinery group and the 9.80% rise of mining. The onward march of the foodstuffs and miscellaneous groups apparently has hit the ceiling. The standstill of sugar and ammonium sulphate shares, once first-line favorites, is responsible for the retreat of the foodstuffs and miscellaneous groups.

2. SHARE PRICE MOVEMENT BY GROUP

Groups	(In Yen)		Gains or Losses	Increase Rate (%)
	1955 Dec. 1	1956 Jan. 14		
Averages of 225 Pivotal..	398.11	427.38	29.27	7.35
Banking, Insurance.....	558.20	584.66	26.46	4.56
Rly., Transportation	255.73	262.75	7.02	2.27
Shipping	184.66	235.28	50.62	27.46
Gas, Electricity	174.52	189.33	14.81	8.48
Mining	330.62	363.04	32.42	9.80
Shipbuilding, Machinery ..	171.40	192.40	21.00	12.25
Iron-Steel, Metals	79.25	96.05	16.80	21.05
Textiles	489.88	522.09	32.21	6.37
Foodstuffs.....	912.85	924.23	11.38	1.15
Fisheries	150.32	168.87	18.55	12.34
Chemicals	327.01	355.08	28.07	8.58
Miscellaneous	449.45	463.96	14.51	3.22
Commerce	739.81	779.34	39.53	5.35
Amusements.....	364.11	385.65	21.54	5.91

Source: *The Oriental Economist*.

Despite the steady buoyancy of transactions, the stock market is entirely devoid of the speculative sentiment chiefly because the current market activity is based principally on investment operations in pursuit of profit yields and not on any inflationary manipulations. This tendency is well demonstrated by the predominance of monetary institutions, such as banks and insurance companies, in all major transactions. Meanwhile, according to the Tokyo Securities Exchange, the average interest yield of the 225 leading shares as of January 12 stood at 6.65% which compares rather poorly with the average yield of about 8.00% available from industrial debentures. This difference, however, is not a specific deterrent, as the yields from shares are bound to rise in view of the possible improvement of corporation results while the money rates are due to slip further. The situation is still more encouraging as more firms are expected to revive or boost dividends. Thus, selective buying is destined to continue for some time to come.

Diet and Two Parties

THE 24th regular National Diet, which had been in recess for the yearend and New Year holidays, was formally reconvened on January 25. We are more than normally interested in the proceedings because for the first time the conservative and reform factions, both consolidated into definite blocs last year, are expected to clash head-on in heated debate, and the current session can be regarded, depending on its outcome, as a field test of the workings of the two major political parties.

Today Japan is facing both internally and externally a number of big problems. The domestic situation harbors such unsettled issues as the labor problem (employment, and the pay raise campaign sponsored by *Sohyo*, the General Council of Japanese Trade Unions), administrative reform, and review of some of the policies initiated under the Allied Occupation. Externally, there are the drawn-out negotiations with the Soviet Union, the Communist China problem, and the reparations issue, to mention only the major diplomatic questions. These are all important matters awaiting proper settlement in the course of Japan's progress toward rehabilitation and further growth.

Such being the situation, there are certain things that we should like to impress most strongly upon our statesmen and politicians.

First, we must ask for avoidance of debate that has too little to do with reality. We are advocating constructive criticism and argument as against argument and criticism for the sake of argument.

When the unified Socialist Party announced its new platform, it was feared from the very start that because of the too great a gap between the socialist and conservative policies the reformist position would constitute a definite obstacle to smooth alternation of government by one faction or the other. It may be contended that since a Socialist Government is not likely in the immediate future no great concern need be accorded to the Socialist platform. Nevertheless, because the Socialist Party has so grown in strength as to hold one-third of the seats in the Diet its influence is by no means inconsequential. Much of the responsibility in regard to political and social uncertainty or unrest rests with the Socialist Party in its choice of really practicable policies and aims, and in its pursuit of truly constructive debate in the National Diet.

On the basis of newspaper reports on the Diet tactics planned by the Socialist leadership, and the statement issued by Socialist Chairman Mosaburo Suzuki, we cannot be entirely without misapprehension on this score. For example, instead of holding back the labor offensive that is now being mounted, it seems that the official Socialist Party

position is to give all-out support. A moment's reflection should suffice to show that even were a Socialist Government in power at this time it would be far from practicable to permit the general increase in wages so stridently demanded by *Sohyo*. We therefore urge that not only in connection with the labor problem, but with all other matters of debate the attitude in argument be both practical and constructive.

Second, it is our serious contention that in matters of diplomacy in particular all words and actions be fully premeditated and discreet. In Britain, when foreign relations are discussed, departures from the main course of national policy are seldom made either by the politicians or the Press. So good is the discipline in fact that we are sometimes deluded into thinking that thought control may be in effect as was the case in Japan before and during the war. In the United States the practice in foreign relations is to adhere to bipartisanship. But in Japan the Liberal-Democrats are as often as not at loggerheads with the Socialists.

In regard to the negotiations with the Soviet Union, the Liberal Democratic Party contends that the signing of a peace treaty with Russia is contingent on repatriation of detainees, since this was a problem from long before the negotiations, and on unconditional restoration to Japan of the islands of Habomai, Sikotan, and the Southern Kuriles. In contrast, the Socialists seek immediate conclusion of a treaty, restoration of diplomatic relations, and subsequent negotiation in connection with territorial issues.

It must of course be noted that for proper functioning of bipartisanship it is up to the party in power to consult from time to time with the Opposition and to furnish all pertinent information on diplomatic problems as they come up. In this respect the Hato-yama Government has not made all the effort required.

Socialist Chairman Suzuki has stated that in his personal opinion a bipartisan foreign policy jointly supported by the conservative and reformist factions is an impossibility. If this thinking represents that of the Socialist Party as a whole, it can be expected that the Diet debate on foreign policy will become quite heated. Nevertheless, whatever the argument, we should like to have our legislators speaking and acting at all times in the true interests of our country.

Last, we should like to give some advice to the Government party. In no event should the Liberal-Democrats attempt domineering oppression of the Opposition simply on the strength of numbers. In the recent past the Socialists were held in criti-

cal contempt by the public for attempting to override parliamentary debate by resort to force and violence. Although violence cannot be condoned on any count, it must be admitted that there were specific reasons for the Socialist outburst. The Yoshida Government of that time refused to give the Opposition a chance to voice its opinions, and the outcome was mob violence in the sacred halls of the Legisla-

ture. Yet, despite this outrage public opinion was relatively unaroused, mainly because of the high-handed manner of the Government party. With this fairly recent event in mind we would advise the Government and the Government party to give the Opposition fair opportunity to express opinions and to refrain from any action that might give rise to the impression of oppressive resort to numerical strength.

Employment in Japan

THE year 1955 witnessed the Japanese economy quicken its tempo of normalization and enjoy a sort of the so-called "quantitative boom." But the gloom over the employment and unemployment problems remained undisputed.

The number of the completely unemployed (by which term is meant persons who during the period of survey sought employment, only to find none) reached its peak in March 1955 with 840,000. The number has been a little more or less than 700,000 since then. The ratio of this number to the entire labor force is only 1.7%, as is shown in Table 1. Compared with the United States of America and Western Germany where the percentages are somewhere about 5% and 7% respectively, Japan may, therefore, be said to have the nearest approach to full employment.

How is it, then, that the employment question is so much in the news in Japan? Simply because the concept of complete unemployment is adhered to so strictly that employment is interpreted only quantitatively and the actual, unwholesome condition of employment does not come to the surface. That revealed unemployment is negligible indicates the reverse of employment in Japan.

Here in Japan, the level of employment is, as we shall see presently, high in agriculture, forestry and fishing (hereinafter referred to as primary industries) and low in manufacturing, mining and construction (hereinafter referred to as secondary industries). There are other factors contributing to unstable employment, such as the comparatively large number of self-employed and family employees and the working hours lengthened or shortened to an extreme. For this reason the surplus labor force which should basically be put down as actually unemployed is recorded as actual workers. In other words, employment in Japan is shown in the form of short working hours and low income rather than in the number of the unemployed.

The number of persons "incompletely employed" in Japan today is, according to the Labor Ministry survey, at least 3,000,000. (This is a total of persons seeking to change their occupations, persons desirous to find further employment because their weekly working hours are less than 35 hours and persons

desirous of jobs though they make no effort to find employment.) The statistics prepared by the Unemployment Counter-measures Council show that the number of persons whose income is less than the standard pay reaches as many as 6,000,000, a figure which is nearly nine times as much as that which represents the completely unemployed. This clearly shows that the number of the completely unemployed is but a drop in the ocean.

It is therefore necessary to make an analysis of the so-called "incompletely employed" in order to get the true picture of employment and unemployment in Japan.

The percentage of labor force to production population (persons of 14 years of age or more) was 68.3% according to the 1955 average (Jan.-Sept.), as is shown in Table 1, that is, more than two-thirds of the persons of 14 years of age or more are in the labor market. Of this labor force, 80% or more is occupied by the male sex, and more than 50% by female workers.

1. LABOR INDICES

(In 10,000)

Year	Production Population (A)	Labor Force (B)	Completely Unemployed (C)	Mobilization Rate (A/B) %	Unemployment Rate (C/B) %
1948	5,390	3,484	24	64.6	0.7
1949	5,485	3,644	38	66.4	1.0
1950	5,524	3,616	44	65.5	1.2
1951	5,626	3,660	39	65.1	1.1
1952	5,744	3,775	47	65.7	1.3
1953	5,831	3,970	45	68.1	1.1
1954	5,928	4,015	58	67.7	1.4
1955 (Jan.-Sept.)..	6,075	4,144	70	68.2	1.7

Source: Prime Minister's Office.

One notable recent tendency has been for female workers other than those in agriculture and forestry to be on the increase, as is evident from Table 2. Another feature is the increase in percentage of workers of advanced age of 65 or more. The percentage of September 1955 was 42.7% as against 36% in 1952 and 40.9% in 1954. This is no encouraging trend. Of the afore-mentioned categories of industry, the primary industries occupy 43% of employment, the secondary industries 22.5% and other industries (classed as industries of the third order) 34.1%. It will be noted that in the secondary industries of manufacturing, mining and construction the percentage is the lowest.

2. MAKE-UP BY SEX OF NON-AGRICULTURAL LABOR FORCE

Year	Male %	Female %
1948	71.8	28.2
1949	71.7	28.3
1950	71.0	29.0
1951	68.8	31.2
1952	68.1	31.9
1953	66.7	33.3
1954	65.6	34.4
1955 (Jan.-Sept.)	64.9	35.1

Source: Prime Minister's Office.

The post-war tendency has been for employment percentage in the primary industries to show a gradual decline, for that in the secondary industries to remain unchanged, and for that in the industries of the third order to increase. (See Table 3) This tendency in Japan has resulted in the absorption of a large proportion of the "incompletely employed" in industries of the third order as well as in the rural areas.

3. LABOR FORCE BY INDUSTRY

(In 10,000)

Year	All Industries	Primary Industries	Secondary Industries	Tertiary Industries
1951	3,622 (100)	1,669 (46.1)	817 (22.5)	1,137 (31.3)
1952	3,729 (100)	1,689 (45.3)	860 (23.0)	1,179 (31.6)
1953	3,925 (100)	1,779 (45.3)	895 (22.9)	1,253 (31.9)
1954	3,958 (100)	1,722 (43.5)	919 (23.3)	1,316 (33.2)
1955 (Jan.-Sept.) ..	4,074 (100)	1,735 (43.0)	917 (22.5)	1,389 (34.1)

Source: Prime Minister's Office.

Note: Percentage in Brackets.

The rise in percentage of female workers in industries other than agriculture and forestry means such absorption of employment by the industries of the third order. (The rise was from 34.2% in 1951 to 38.9% in 1955, as against the rise from 28% to 30.3% for the same period with respect to male workers.) What does this mean but an increase of factors in unstable employment? Employment in Japan, fraught with the legacies of old days, is developing in an unbalanced way, instead of showing a modern tendency which is in evidence in the West.

Unlike the United States of America and Britain, Japan has a small proportion of industrial employees other than self-employed and family employees. As has already been pointed out, here in Japan both self-employed and family employees assume tremendous proportions. Industrial employees definitely to be so called are only a little over one-third of the total number of the employed, that is, about 38.5%. The rest are either family employees or self-employed. What accounts for this? The reason is that the high employment percentage in the industries of the first and the third orders has brought about the proportional decrease of percentage in the secondary industries. Unable to find employment in manufacturing, mining and construction, job-hunters have no choice but to go in for street stalling, peddling or any other petty self-managed business, if not to work as family employees.

The post-war tendency may be inferred from Table 4. The percentage of industrial employees to workers in all the industries has tended to increase gradually and that of self-employed to decrease. It will be noted that, if expressed in percentage, the industrial employees in general have increased from 36.8% in 1948 to 38.5% in Jan.-Sep. 1955, while the self-employed dropped from 27.2% down to 25.9% for the same period. As far as this goes, it may be asserted that employment has increased along modern lines.


Be that as it may, when workers are divided into the three categories of (1) administrative and technical workers, (2) regular workers and "on-the-job" trainees and (3) day laborers, it will be seen that the number of day laborers has considerably increased. A comparison between the 1954 figures and the 1955 (Jan.-Sept.) will show that industrial employees in general increased by 500,000, of which day laborers account for 184,000, or 36.8%.

4. BREAK-DOWN OF LABOR FORCE

(In 10,000)

Year	All Industries	Self-Employed	Family Employees	Employees
1948	3,460	942	1,243	1,274
1949	3,606	1,006	1,359	1,242
1950	3,572	1,016	1,297	1,265
1951	3,622	998	1,254	1,375
1952	3,729	1,012	1,294	1,421
1953	3,925	1,027	1,418	1,480
1954	3,958	1,030	1,408	1,518
1955 (Jan.-Sept.)	4,074	1,055	1,448	1,568

Source: Prime Minister's Office.



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Enough has been said to show that what is seemingly wholesome employment, insofar as figures go, is, when analyzed, found to be full of unwholesome unstable elements. Incidentally this indicates the complexity of the employment question in Japan, where family employees have not ceased to increase in number.

The increase in day laborers and family employees has led to the fact that, as shown in Table 5, the working hours have either been lengthened or shortened to an extreme degree. Take for instance workers whose working hours are 34 hours a week or less. With the 1949 representing 100 the 1955 index (Jan.-Sept.) has increased to 131.3. This is a rate of increase far greater than that in the total number of workers. Then again the index for the longer working hours (60 hours or more) increased to 127.8 in 1954. In industries other than agriculture and forestry the index increased rapidly to 170.7.

5. WORKERS BY WORK HOURS PER WEEK (1949 as 100)

Year	Overall	Those working from 1-19 hours	20-34 hours	35-48 hours	49-50 hours	over 60 hours
1949.....	100.0	100.0	100.0	100.0	100.0	100.0
1950.....	100.1	116.3	99.6	98.4	97.4	99.2
1951.....	101.7	106.6	94.4	99.9	103.0	105.6
1952.....	104.9	119.5	99.4	99.7	104.6	110.9
1953.....	110.3	146.5	107.0	96.5	106.9	122.6
1954.....	111.2	135.0	104.3	98.4	109.3	127.8
1955 (Jan.-Sept.)..	114.4	131.3		99.1		117.1

Source: Prime Minister's Office.

In the bracket of 35-48 hours (the standard working hours) the tendency has been, on the whole, downward. The 99.1 level was not exceeded even in 1954 and 1955, when there were some signs of improvement.

6. DAY WORKERS BY EMPLOYMENT PERIODS PER WEEK

Period	1950	1951	1952	1953	1954
Up to 1 month	1.0	0.5	0.3	0.5	—
1-3 months	9.7	5.1	4.4	2.4	2.3
4-6 months	21.3	9.3	5.0	5.2	4.6
7-12 months	34.8	13.6	9.6	7.9	9.4
1-2 years	18.9	42.6	18.5	13.7	13.4
More than 2 years	14.3	29.0	62.2	70.3	12.4 57.9

Note: ^ Means more than 3 years. ^ Less than 3 years.

Source: Prime Minister's Office.

This, coupled with the foregoing analysis, speaks eloquently of the circumstance that a good portion of Japanese labor force is being obliged to work only for short hours, simply because of its inability to find employment of standard working hours. This may be inferred from the fact that more than half of the 10,320,000 short-hour workers were family employees, according to the figures representing the 1955 average (Jan.-Sept.).

All this goes to show the unstable condition of employment in Japan.

Thus an enormous number of the unemployed in Japan are working as "incomplete employees," instead of being recorded as actual jobless persons. The low income incidental to incomplete employment

makes it necessary to send further fresh labor force to an inferior labor market in order to make up for the deficiency. In other words, one "incomplete employee" gives birth to one or two more "incomplete employees," thereby constituting a vicious circle. Workers are thus bound to keep on lowering their standard of living, until at last they will find themselves landed in the class of day laborers.

In 1954 or thereabout the total number of registered day laborers in Japan was in the neighborhood of 350,000. The 1954 average increased to 372,000, further increasing to 433,000 in 1955 (Jan.-Sept.). What is more, the tendency is for the increase in this class of workers to stay put and become more or less permanent. And it must be remembered that, when any member of a family has a job somewhere else that particular family is no longer qualified for day labor registration. But for this restriction the actual number of day laborers in Japan would be anything from 60 to 70 percent more than it is.

In Japan the average wages payable by a large enterprise employing 500 workers or more is about twice as much as the average wages paid by an employer of 30 or less workers. In the light of this fact the increase of day laborers is worthy of note. Insofar as employment and unemployment measures are concerned, Japan has systems comparable with those in the West, but as has been noted, in point

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of effectiveness the measures adopted in Japan are not a patch on their Western counterparts. Only in the increase of public enterprises and undertakings as counter-measures against unemployment—enter-

prises designed to step up production and employment and backed by an increase of national fund—can we find, therefore, the road to a realization of the beau ideal of full employment in Japan.

Japanese Roads

THE mounting number of traffic accidents has become a new headache to the Government. The primary cause of this deplorable tendency is the extremely slow tempo of road improvement and construction operations timely enough to cope with the increasing rampancy of larger-model and higher-speed automobiles. During the period from 1935 to 1940, Japan had about 120,000 automobiles (including passenger cars, buses and trucks). The number began to decrease throughout the war years and finally declined to only 76,000 at the time of the war's termination in 1945. From then on, the number has again started to increase, returning to the prewar (1935-40) mark in 1947 and reaching a new high of 280,000 in January, 1955, about four-fold the figure at the time of the war's end and 2.3-fold the prewar mark. In addition, models of motor vehicles have become larger. The increase of smaller motor vehicles such as autocycles and three-wheelers has been equally tremendous. As the number of motor vehicles rose, the volume of transportation gained accordingly with the index for 1953 soaring to 216, on the basis of 100 for 1935 (the index fell to 66 in 1945). The volume of passenger carriage also swelled with the buses transporting about four times as many passengers in 1953 as compared with those in 1945.

Despite the popularization of larger vehicles with higher speed, the notable increase in traffic accidents might have been partially curbed had roads and highways been properly enlarged or renovated to cope with the new situation. War time evacuation of buildings in bigger cities and airraid damages which wiped out some of the most congested quarters in the country offered rare chances for road reconstruction, but such chances were not utilized adequately in the absence of drastic city planning projects and roads remained almost unchanged except in a small number of cities such as Nagoya. Worse still, underground construction for gas, water-supply, sewerage or telephones has been undertaken separately without previous arrangements, and the roads once repaired have been torn up again and again to leave sidewalks and autoways in leading cities always in a state of "under repair." More wretched are the roads in the country which would easily turn into paddy-fields on rainy days. Travelling in the country, we find numerous houses facing highways with their glass doors shut apparently to guard against muddy splashes caused by buses, trucks and pas-

senger cars on rainy days and terrible dust on sunny days. Shops are no exception to the menace of motor vehicles. This uncivilized state of affairs in a civilized country like Japan is due chiefly to the delay of road renovation and construction operations because of the lack of necessary funds. In fiscal 1932, the road construction expense in the expenditure of the general budgetary account had 3.0 percent of the total. This percentage fell to 2.75 percent in fiscal 1933 and further dipped to 1.69 percent in 1934. In 1935, it dropped below the 1.0 percent mark and dwindled to only 0.22 percent in 1943. The sharp dwarfing of the road construction expense was an inevitable result of the remarkable swelling of military expenses which far outraced the expansion of the overall expenditure and thus caused the shrinkage of all non-military expenses. The expenses for such "non-urgent" undertakings as road construction, riparian improvement and forestry conservancy were miserably curtailed. The result is the present trouble.

1. ROAD EXPENSE IN BUDGETARY EXPENDITURE

(General account: million yen)

Fiscal Year	General Account Expenditure (A)	Road Expense (B)	B/A (%)
1932.....	1,950	59	3.02
1943.....	12,552	28	0.22
1945.....	21,496	62	0.29
1946.....	29,087	555	0.47
1947.....	214,256	634	0.30
1948.....	473,146	1,955	0.41
1949.....	741,047	5,550	0.75
1950.....	664,576	5,150	0.77
1951.....	793,707	7,239	0.91
1952.....	932,536	9,663	1.04
1953.....	1,027,251	14,744	1.44
1954.....	999,880	14,089	1.40
1955.....	991,458	21,712	2.19

Note: Compiled by The Oriental Economist.

After the war's termination, the budgetary allotment for the recovery of roads and highways heavily damaged during the war was steadily increased partially at the request of the Allied Forces, and a "five year plan for the road maintenance and repair" was drafted in fiscal 1948. Simultaneously, the "law concerning the repair of roads" was enacted to provide for 1) the Government's participation in road repair operations, and 2) State subsidies to local public bodies. In April, 1951, the memorandum of the Supreme Commander for the Allied Powers, which served as the basis of the above-mentioned law, was abolished, and consequently, the law itself

lost its validity. Hence, the five-year plan with ¥59,200 million yen budgetary allotments came to an abrupt end achieving only 30 percent of the whole design. Nevertheless, during the short existence of this program, Japanese roads, left devastated after the war, were somewhat renovated. A further improvement resulted from a reconstruction plan directed to bridge replacement and road improvement at places selected by priority at the cost of ¥2,900 million earmarked from the Countepart Fund. The Government began to pay greater attention to road improvement parallel with the stabilization of economy and the road expense came to take 0.9 percent of the budgetary expenditure in fiscal 1951 with the pivot shifted from repairing to improvement. This percentage increased to the 1.0 percent mark later and grew to 2.19 percent in fiscal 1955, although it was still behind the 1932-33 mark.

As shown in Tables 2 and 3, only about one-third of even the national highways were properly improved as of the end of March, 1954 while prefectural highways were less than 20 percent renovated. Of national highways, some 86 percent are still gravel roads and the percentage stands higher at 96 percent for prefectural highways. In other words, paved highways account for 15 percent for the former and only four percent for the latter. Moreover, the highways more than 5.5 metres wide, enough to guarantee safe traffic for motor vehicles, account for only 14.9 percent of the combined total while those narrower than 3.6 metres which are unfit for motor traffic account for 46.4 percent. Some 300 kilometres of national highways and 15,000 kilometres of prefectural highways are branded as "impassable" to motor vehicles. In addition, about 80 percent of municipal, town and village highways,

estimated to extend over 740,000 kilometres, are either remarkably "unfit" for or completely "impassable" to motor vehicles. On the other hand, some 53 percent of bridges are permanently constructed of iron, stone or concrete but the remaining 47 percent are wooden bridges including 39 percent on which the cargo weight is restricted or motor traffic is impossible.

2. *STATUS QUO OF JAPANESE ROADS
(In kilometres)

	National highways		Prefectural highways	
Total length	24,067	100.0%	119,574	100.0%
Improved.....	8,133	33.8	23,342	19.5
Unimproved	15,934	66.2	96,232	80.5
Impassable to motor traffic..	308	1.3	15,061	12.6
Road surfaces:				
Gravel roads	20,585	85.5	114,610	95.8
Paved roads	3,482	14.5	4,964	4.2
Permanently paved	2,390	9.9	2,054	2.1
Simply paved.....	1,093	4.5	2,909	2.4
Ferries (No.)	11		240	

*As of the end of March, 1954.
Source: From the "Road Statistics Annual" (1955 Issue)

3. *BRIDGES IN JAPAN

	Iron bridges	Stone or concrete bridges	Wooden bridges
Impassable to motor vehicles..	45	555	4,009
Cargo restriction.....	111	1,929	18,762
Safely passable	3,266	60,564	35,015
Total	3,422 (2.8)	63,048 (50.7)	57,785 (46.5)

*As of the end of March, 1954. Parenthesized figures are percentages in totals.
Source: "Bridge Statistics" by Roads Bureau, Ministry of Construction.

There are 11 ferries on national highways and 240 on prefectural highways and 68,000 railway crossings, including 3,977 at which gatemen are stationed all day long, to make smooth transportation by motor vehicles still more difficult.

Three Highway Plans

IN the preceding article we have examined the present conditions of roads in Japan. A well-maintained traffic network constitutes a very important factor in the economic progress of a country. Construction of roads in this sense would put Japan on a smoother way towards her economic stability and self-reliance.

Prominent in the road planning in our country are three highway plans: 1) the Ayukawa Plan by Mr. Yoshisuke Ayukawa, member of the House of Councilors; 2) the Ministry of Construction Plan (the Bullet Highway Plan); 3) the Tanaka Plan by Mr. Seiichi Tanaka, chairman of Fuji Engineering K.K.

Ayukawa Plan

This plan, aims at improving the existing roads and highways by re-modelling, expansion and surface renovation on the ground that improvement

should precede new construction in a country like Japan. In this respect, it resembles the five-year plan already undertaken by the Ministry of Construction, although somewhat different in scale.

Under this plan, major trunk highways (about 23,000 kilometres) on national and prefectural highways, natural resources development roads (about 2,900 kilometres) and major roads in leading cities (about 700 kilometres) or a total of some 30,000 kilometres, will be taken up in order of merits, with priority given to some 8,700 kilometres specially recognized important to be paved first. The renovation of the roads and highways, 30,000 kilometres long, under the present plan is estimated to cost ¥660,000 million to be raised in six years. As part of the five-year plan of the Ministry of Construction, already carried out, is expected to overlap part of the Ayukawa plan, however, the present plan will also

be a five-year affair. Table 1 shows the fund raising scheme in the Ayukawa plan.

1. FUND RAISING SCHEME

(In ¥100 million)

Fiscal Year	Gasoline tax	Gasoline tax bonds	Financial spending		Total
			Central	Local	
1954	220	0	0	80	300
1955	330	330	230	110	300
1956	380	380	230	110	1,100
1957	435	435	260	130	1,260
1958	500	500	280	140	1,420
1959	575	575	250	120	1,520
Total....	2,440	2,201	1,250	690	6,600

Source: Ayukawa Plan.

Like the five-year plan of the Ministry of Construction, the Ayukawa plan depends on the gasoline tax for funds. With the domestic consumption of gasoline expanding year by year, the plan is so designed to expect a larger income from this source as the plan comes closer to the end. The plan also expects a similar amount of funds from the flotation of bonds against the gasoline tax and relies on financial expenditures from the Central and prefectural governments for the remainder.

As noted in Table 2, the cost of labor predominates in the list of major costs, accounting for nearly 30 percent. Under this plan, a total of 460,000,000 workers, including coolies, miners, carpenters and stonemasons will be employed over the period of six years or a daily average of 320,000 workers. The cost of raw materials will come next. As shown in Table 3, 4,000,000 metric tons of cement, 96,000,000 cubic metres of gravel, sand and macadam and 270,000 metric tons of asphalt will be thrown into the six-year program. For such raw materials, the plan depends entirely upon domestic resources except for petroleum. Some may fear that the consumption of this huge total of key raw materials may derange the domestic supply-demand balance. However, the domestic production is far too large. For instance, the average annual consumption of cement at 800,000 metric tons is only 8.0 percent of the total production of 10,000,000 metric tons a year, and the annual capacity of asphalt amounting to 500,000 metric tons will easily supply 45,000 metric tons to be used in each of the six years. Other raw materials will also be available without difficulty, except electric power, as some difficulty may be experienced in obtaining special service power lines easily. Other cost factors have been computed on the basis of the operations already completed under the five-year plan of the Ministry of Construction.

2. EXPENSE ITEMS OF THE AYUKAWA PLAN

(In ¥100 million)

Total plan expenses	6,600	100%
Construction expenses	6,204	94
Operation expenses	4,554	69
Labor expense	1,914	29
Raw materials expense	1,650	25
Other expenses	990	15
Land expense	990	15
Machinery expense	660	10
Office expense	330	5
Surveying expense	66	1

Source: The Ayukawa Plan.

3. RAW MATERIALS PROGRAM

	Total Amount	Expenses (In ¥100 million)
Cement	4,000,000	320
Asphalt	270,000	54
Gravel, sand	96,000,000	980
Steel materials	180,000	108
Lumber	600,000	30
Petroleum products*	380,000	114
Electric power	150,000,000	15
Others		49
Total		1,650

Notes: Cement, asphalt and steel materials in metric tons; gravel and sand in cubic metres; lumber in koku, petroleum products in kilolitres; and electric power in KWH.

*Not including asphalt.

Source: The Ayukawa Plan.

What advantages will the nation enjoy after the completion of this gigantic six-year undertaking? On the assumption that this plan will be completed in fiscal 1959, let us study the economic benefits and savings which may result in fiscal 1960. The first direct advantage from the renovation of highways by the six-year plan will be the cut in the running expenses of motor vehicles. As the number of curves decreases and road surface becomes smoother, wear and tear of tires will become smaller and gasoline will be economized. From this phase, some ¥90,000 million will be saved. The consequent weakening of oscillation will enable simpler packing and packing expenses will be economized by about ¥16,000 million. Economization of transportation charges due to the shortening of routes, decreases of damages on roadsides, smaller damage to cargo and the lower rate of deterioration of perishables will combine with the aforementioned advantages to bring the total amount of the direct gains to somewhere around ¥146,000 million.

The streamlining of natural resources development roads extending over 3,000 kilometres will greatly facilitate lumbering and mining operations to boost the gains to about ¥10,000 million. Speedier transportation and lower freight resulting from better roads will make possible long-distance sales at lower costs and the national market will be markedly enlarged. People will be enabled to use low-costing goods. The advantages from this source will amount to about ¥15,100 million.

Moreover, the expansion of the volume of traffic will enable the quicker turnover of merchandise and inventories will eventually dwindle to save interest payments by about ¥10,000 million. The prices of land on roadsides will increase by about ¥25,000 million. Thus, such indirect gains will total ¥57,000 million. Further, the combined total gains from

4. ECONOMIC GAINS FROM AYUKAWA PLAN

	Fiscal 1955	Fiscal 1960	Fiscal 1965	Total (Fiscal 1955-65)
Direct gains	195	1,461	1,930	14,097
Indirect gains	65	569	808	5,608
Profits from employment of saved funds	22	134	159	1,255
Manpower gains	60	489	695	4,754
Total	342	2,653	3,592	25,714

Source: Ayukawa Plan.

5. MAJOR OPERATIONS IN THE FIVE-YEAR PLAN

	Total length	Still Unim- proved (A)	Still Unpaved (B)	(In kilometres) To be improved by 5-yr plan (a)	To be paved by 5-yr plan (b)	a A (%)	b B (%)	Total length of bridges	Bridges to be replaced (C)	Replaced by 5-yr plan (c)	c C (%)
1st class nat. highways	9,215	5,203	7,085	1,716	2,080	33	29	137.6	45.3	38.2	84
2nd class nat. highways	14,851	11,277	13,500	1,348	1,165	12	9	148.3	60.7	35.3	58
Major local roads	27,492	18,666	25,441	1,933	879	10	3	200.0	113.4	57.0	50
Other local roads	92,082	77,561	89,165	2,730	335	4	0.4	647.7	357.7	82.2	23
Total	143,640	112,707	135,194	7,727	4,459	6.9	3.2	1,133.6	577.1	212.7	36.9

Source: The five-year plan of the Ministry of Construction.

direct and indirect advantages, if utilized as industrial funds, will bring an additional profit of about ¥13,000 million. Time saving by motor vehicles will shorten waiting hours by passengers and add to productivity. Such manpower gains are estimated at ¥49,000 million.

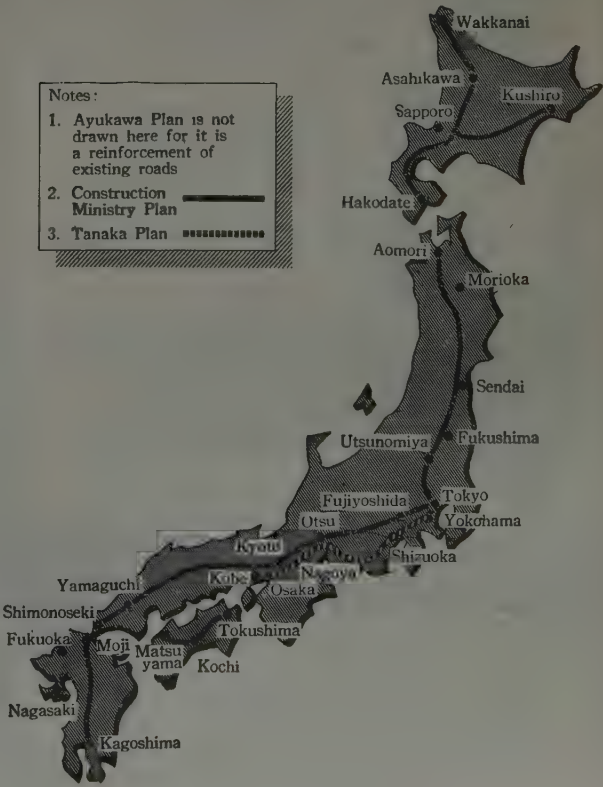
As shown in Table 4, the economic gains in fiscal 1960 will reach over ¥265,000 million which may well correspond to the yield from a huge fund of about ¥2,000,000 million. The gains will rise to about 10-fold larger in the total for the period from 1955 to 1965. Employment averaging 320,000 daily is also noteworthy.

Ministry of Construction Plan

It may be said that the Ayukawa Plan has already been partially inaugurated from fiscal 1954 in the form of the five-year road adjustment plan drafted by the Ministry of Construction. The present plan aims at improving and paving roads and replacing bridges at specific points and repairing certain sections in order to meet emergency needs. This five-year plan will cost ¥260,000 million with ¥168,000 million paid out of the general account and the remainder to be defrayed by prefectural governments. The income from the gasoline tax amounting to ¥140,000 million will offer the main source of revenue to finance this project. The actual outlay for the present plan appropriated in the two fiscal years of 1954 and 1955 amounted to ¥65,900 million or only 25.3 percent of the total cost of the five-year plan. For the smoother enforcement of the project, therefore, the Ministry of Construction placed the expense for fiscal 1956 at about ¥65,000 million and asked the budgetary appropriation of ¥45,000 million as the Treasury's share. The realization of this sizable increase alone will ensure the smooth completion of the five-year plan, although, as Table 5 shows, the accomplishment of the plan in toto will only make 6.9 percent of unimproved extended roads improved and 3.2 percent of unpaved extended roads paved. Hence, improvement schemes in the present five-year plan have to be repeated ten times in order to get the existing national and prefectural highways completely renovated.

Due to financial restrictions on expenses which have thus been crippling the five-year plan, a number of leading bridges and key tunnels, whose early completion has been urgently desired, have still been left untouched. As a key to the solution of such a

financial handicap, the system of toll roads and bridges has been adopted. Under this system, the state or local public bodies undertake the job of renovating and modernizing specific roads at their expenses and then, after their completion, collect tolls from vehicles, mostly motor vehicles, using them for a certain period in order to redeem construction expenses. Such construction expenses are supplied out of the accommodations by the Trust Funds Bureau under the "Special Roads Reconstruction Account." During the period from fiscal 1952 to 1955, some ¥9,000 million payments were made from that account. Financed by this financial aid, roads and highways extending over 50 kilometres (including the Sangu "shrine" road in Miye Prefecture-10.6 kilometres and the Totsuka national highway-4.2 kilometres), bridges extending over 2.4 kilometres and a tunnel, 420 metres long (between Hiroshima and Hamada), at 12 points were completed at the total expense of ¥3,100 million. Receipts at these toll roads are not particularly encouraging so far, as the Totsuka national highway and the Iroha road at Nikko alone have registered tolls in excess of original estimates.



The total receipts from toll roads (at 8 points) amounted to only 36 percent of the original schedules in fiscal 1954, but during the first half of fiscal 1955 the total receipts (at 11 points) advanced to 65 percent. At this rate, therefore, the toll receipts will eclipse the original schedules within these few years. At present 19 toll roads are under construction, including Kanmon national highway and Keiyo national highway (Tokyo-Chiba) with the total appropriations for fiscal 1956 expected to rise to about ¥10,000-15,000 million. The toll roads in question aim at removing traffic bottlenecks by opening new paths for the economization of running expenses principally by shortening running mileages. In addition to such sectional undertakings, however, larger-scale plans to construct toll speedways for the exclusive use of motor vehicles, like those already in operation in foreign countries, have been under consideration.

As one of the speedway plans, there is a Tokyo-Kobe high-speed auto-highway project (the so-called bullet road) being studied by the Ministry of Construction since fiscal 1951. The present Tokyo-Kobe national highway (580 kilometres in length) has been improved into the width of over 7.5 metres to the extent of 70 percent and has been paved to the extent of 60 percent. Due to the congestion of bicycles, carts and pedestrians, however, the highest possible speed is limited to about 40 miles an hour for passenger cars and 35 miles for trucks. The bullet highway

plan calls for the construction of a 527-kilometre speedyway, completely paved and 22-metres wide, from Tokyo to Kobe for the exclusive use of automobiles, with comings and goings separated by "buffer" zones in the middle with enough space given for two cars to run parallel in one direction. Curves and slopes will be lessened as much as possible and all crossings will be made vertical so that all vehicles can run at the high speed between 70 to 120 kilometres (Tokyo to Kobe in about five hours) so that the increasing auto-transportation volume over longer distances and the traffic of larger-model cars of higher speeds may be properly handled. This plan is being drafted to be completed in seven years at the total cost of about ¥150,000 million, using raw materials as listed in Table 7. It will absorb a combined total of 34,400,000 skilled workers and 83,190,000 unskilled workers. By the utilization of this highway, the annual saving of running expenses of automobiles is roughly estimated at ¥25,000 million at the rate of the daily auto traffic at 7,400 cars. The economization of running expenses will account for half the estimable gains, although other economic advantages as enumerated in the Ayukawa Plan will also be great. Although about one-half of the expenses thus to be saved will be collected in the form of tolls at the rate of ¥10 per kilometre for buses and trucks and ¥5 from passenger cars, but still the final economization will be no less important. Hence, railroads and parallel highways will be greatly affected. According to the survey of the Ministry of Construction on the basis of the 1950 figures, about 30 percent of freight and 44 percent of passengers using present national highways will be shifted to the bullet highway upon completion. From railways, about 36 percent and six percent respectively will change to the new highway.

In preparation for this "bullet highway" plan, surveying operations have been under way since 1951 and some ¥53,000,000 were spent for the purpose by fiscal 1954. Later, however, a national land develop-

6. CONSTRUCTION EXPENSES OF SPEED HIGHWAY (In million yen)

	Land & compensation	Construction	*Machinery	*Operation	Surveying	Miscellaneous	Total
3rd year ..	1,970	25,997	6,567	19,430	162	1,837	29,966
1st year ..	1,820	2,367	2,367	—	486	467	5,140
2nd year ..	5,307	9,621	9,621	—	365	1,438	16,731
4th year ..	—	32,365	840	31,525	—	1,970	34,335
5th year ..	—	33,780	840	32,940	—	1,807	35,587
6th year ..	—	17,980	—	17,980	—	641	18,621
7th year ..	—	7,411	—	7,411	—	343	7,754
Total ..	9,097	129,521	20,235	109,286	1,013	8,503	148,134

Source: Ministry of Construction.

*Machinery & *operation (including raw materials) make up the construction expenses.

7. RAW MATERIALS NEEDED

	Five Year Plan	Tokyo-Kobe Speed Highway
*Cement	3,636	1,035
*Asphalt	180	19.5
*Steel Materials	408	427
*Lumber	3,266	4,703
**Gravel	23,630	6,767
**Sand	6,564	2,232

*In 1,000 metric tons; **in 1,000 cubic metres.

Source: Construction Ministry.



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8. RUNNING EXPENSES

(In yen per kilometre)

	Trucks	Buses	Passenger
Existing roads	48.47	45.67	35.00
Speed highway	29.91	23.12	18.00
Saving	18.56	22.55	17.00

Source: Construction Ministry.

ment highway has been envisaged separately with entirely different routes proposed to be taken for the section from Tokyo to Nagoya. Under the circumstances, surveying operations under these two plans in fiscal 1955 have been concentrated almost in unison to the 200-kilometre section between Nagoya and Kobe where the transportation demand is particularly heavy with the completion due three years later. To raise the construction fund of this highway between Nagoya and Kobe, totalling ¥40,000 million (\$110,000,000), arrangements are under way for the induction of U.S. private capital to the amount of \$40,000,000 and for the invitation of an accommodation from the World Bank and domestic funds to cover the remainder. On the other hand, the Ministry of Construction is planning to create a special organ (tentatively named the Japan Roads Corporation) to undertake the construction of the bullet highway with funds partially supplied from abroad and also to take the exclusive management of toll roads which have hitherto been separately managed by the state and local public bodies. Under this plan, the corporation will be assigned to undertake the construction and management of toll roads and to take charge of other accessory activities, with funds available from foreign investments, accommodations by the Trust Funds Bureau and the flotation of road construction debentures. For the fiscal year of 1956, the Ministry of Construction is asking for a total of ¥11,300 million (¥1,300 million from private funds, ¥5,000 million from road debentures and ¥50,000 million from the Trust Funds Bureau) in addition to foreign capital. This plan was approved at the budgetary conference of the Liberal-Democratic Party. The Ministry of Finance and financial circles, too, are not particularly opposed to it on condition that it be a business proposition. Thus, it has become increasingly certain that the proposed road corporation will become a reality during fiscal 1956.

Tanaka Plan

The Tanaka Plan calls for the construction of a direct auto-highway between Tokyo and Osaka through the central mountain area of the country by the shortest cut. The construction plan now being discussed at the Diet is based on this Tanaka Plan with the total distance covered extended as far as Hokkaido in the north and Kyushu in the south. Under the name of the Trans-Country Land Development Auto-Highway Construction Bill, this plan was already approved by the House of Representatives in July, 1955 and will be laid before the House of Councillors at the session in the spring of 1956. The auto-

highway under this plan consists of six routes passing through the six different areas of Hokkaido, Tohoku, Central Japan, Chugoku, Shikoku and Kyushu, as shown in Table 9. The six routes combined will extend over about 3,000 kilometres to be constructed at the cost of ¥670,000 million under a 20-year program.

9. TRANS-COUNTRY LAND DEVELOPMENT
AUTO-HIGHWAY PROGRAM

Area	Distance (kilometres)	Construction Expenses (¥100 million)
Central (Tokyo-Osaka).....	450	1,350
Tohoku (Tokyo-Aomori)	661	1,528
Hokkaido 1 (Hakodate-Kushiro) ..	547	1,210
Hokkaido 2 (Sapporo-Wakkanai) ..	318	471
Chugoku (Osaka-Shimonoseki)	480	1,165
Shikoku (Tokushima-Matsuyama) ..	235	380
Kyushu (Moji-Kagoshima)	336	625
Total	3,027	6,729

Source: Trans-Country Land Development Auto-Highway Construction Bill.

The highway in the Central Japan area will be 22 metres wide (which is a little wider than Tokyo's Ginza main street minus pavements) while the highways in other areas will be about 18 metres wide, as compared with the 7.5 metres width of the existing Class A national highways. Mid-road buffer belts (two metres wide in the Central Japan area and one metre wide in other areas) will separate motor vehicles running in opposite directions and the average speed of 80-120 kilometres will be possible in the trans-country mountain areas. The proposed auto-highway, upon completion, will result in almost halving the present transportation hours. The distance between Tokyo and Osaka, which now takes 10 hours by ordinary express, will be covered in 4 hours and 57 minutes while the present travelling time of 14 hours and 40 minutes between Tokyo and Aomori will be reduced to seven hours and 46 minutes.

10. TIME SAVING BY TRANS-COUNTRY PLAN

From Tokyo to	Trans-Country Auto-Highway		*National Railways		**Existing Highways	
	Kilo- metres	Hours	Kilo- metres	Hours	Kilo- metres	Hours
Kagoshima	1,262	14.31	1,494	29.43	1,385	46.10
Hiroshima	775	9.48	892	16.37	845	28.10
Osaka	443	4.57	554	10.01	530	17.40
Nagoya	287	3.18	263	6.04	330	11.00
Fukushima	263	2.54	268	5.01	260	8.20
Aomori	652	7.46	735	14.44	685	22.50

*By ordinary express; **At the present speed of 30 kilometres per hour.

Source: Trans-Country Land Development Auto-Highway Construction Bill.

This ultra-speed auto-highway will be an expensive affair. The construction expense in the Central Japan highwas will amount to ¥300 million per kilometre while that of the Sapporo to Wakkanai, the lowest costing of all, will still cost ¥148,000,000. Thus, the average construction cost will mount to 10 times that of ordinary national highways and several times more than that of railroads (single track). Consequently, the total cost will reach ¥672,900 million. Of this gigantic plan, however, only the first five-year program for

the Central Japan area has taken concrete shape with nothing definitely decided on future schemes. The fund program has also been approved for the Central Japan area alone with the total expenditure fixed at ¥135,000 million (¥17,000 million for the initial year and ¥32,000 million, ¥37,000 million, ¥34,000 million and ¥15,000 million allotted for the ensuing four years, respectively). In the following five years, other highways will be constructed at the cost of ¥110,000 million, according to the preliminary arrangements.

The construction in the Central Japan area will be financed partially with the financial funds (used as the capital of the proposed Japan National Auto-Highway Corporation), accommodations from the Development Bank (at the interest rate of 6.5 percent per annum) and corporation debentures (at 9.0 percent). All funds thus mobilized will be redeemed with tolls to be collected from trucks and buses at the rate of ¥10 per kilometre and from passenger cars at the rate of ¥5 per kilometre. According to the present estimate, the toll receipts in the first year after the completion of the highway will reach ¥10,500 million and those after five years will increase to ¥14,500 million annually. Hence, all borrowings will be completely paid back within 25 years after the opening of the highway. What, then, are the economic advantages resulting from the trans-country auto-highway?



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11. DIRECT ECONOMIC EFFECTS (In ¥100 million)

	Whole Plan	Central Japan Area
Construction expenses	5,383	1,080
Raw materials	2,217	446
Steel materials	1,338	269
Lumber	232	47
Cement	647	130
Labor cost	2,317	465
Others	849	169
Business expenses	1,346	270
Total	6,729	1,950

As shown in Table 13, the total construction expenses of the trans-country land development auto-highway amount to ¥672,900 million with the expenses for field operations at ¥538,300 million (80 percent) predominating. They comprise ¥221,700 million (33 percent) for key raw materials, ¥231,700 million (34 percent) for labor and ¥84,900 million (13 percent) for other expenses. The remaining 20 percent (¥134,600 million) are bound for business expenses including interest payments, taxes, office supplies, salaries and profits. Of the raw materials, steel materials will cost ¥133,800 million (1,670,000 metric tons), including processing expenses. They are mostly plates, bars and shapes for constructing bridges. Cement will cost ¥64,000 million (8,630,000 metric tons). For the construction of the Central Japan highway alone, however, 336,000 metric tons of steel materials and 1,700,000 metric tons of cement will be principal key materials needed over the period of five years. They are not particularly large demands in view of the present capacities. The construction will also demand various large-type civil engineering and construction machines such as power-shovels, asphalt plants and concrete mixers. For the Central Japan highway alone, orders for such machines will amount to ¥23,000 million.

The increase in employment, however, is far more noteworthy. The Central Japan highway alone will require an annual average total of 23,240,000 workers or a daily average of 74,500 men. At the current number of jobless estimated at about 700,000, more than one-tenth will be absorbed by the project. Actually, the swelling of employment is expected to be far more noteworthy as the completion of the new auto-highway is likely to stimulate the streamlining of other highways running parallel and the development of forestry, agricultural, stock-raising, mining and manufacturing enterprises in the surrounding districts.

Indirect economic gains will be still greater. First, the construction of a modern auto-highway penetrating through the mountain plateau belts in Central Japan will make remarkably easier the communication between the Pacific and Sea of Japan sides of the country and will eventually lead to the birth of a new expansive economic sphere. Second, the completion of the new high-speed auto-highway will shorten the present travelling hours to one-third or one-half, and third, speedier transportation will result in the saving of operating funds and the curtailment of the costs of merchandise.

Kaleidoscope

Iron and Steel:—The 1955 production of blast furnace pig iron totalled 5,038,000 tons as compared with 4,416,000 tons in 1954, according to the Japan Iron and Steel Federation. The production of rolled steel ingot amounted to 8,531,000 tons in 1955, far eclipsing 6,939,000 tons in 1954 while the 1955 output of ordinary steel materials reached 6,658,000 tons against 1954's 5,358,000 tons. They were all new postwar peaks. The 1955 output of special steel materials totalled 317,000 tons, excelling 294,000 tons in 1954 but failing to register a new postwar high.

Automobile Exports:—Japan's exports of automobiles during calendar 1955 totalled 1,231 worth \$6,042,000 eclipsing the corresponding figures in 1954 by 25% and 15%, respectively. Both were new postwar highs. The 1955 exports were divided into \$5,488,000 worth of trucks and buses, \$209,000 worth of midget cars and \$425,000 worth of motor engines and other parts and accessories.

National Parks:—Some 491,000 foreign residents and tourists visited 19 national parks in Japan (accounting for 4.4% of the national territory) during 1954 and spent some ¥790,000,000, according to the National Parks Division of the Welfare Ministry. The Fuji-Hakone area was most popular with 283,500 foreigners visiting the national park there, followed by the Seto Inland Sea area with 74,800 visitors. The Shikotsu-Toya area in Hokkaido ranked third with 30,200 foreigners visiting, followed by the Nikko area with 28,000. Other national parks in the "Big 10" list were the Chichibu-Tama area with 24,000 visitors, the Joshinetsu Plateau area with 13,500, the Ise-Shima area with 12,400, the Aso area with 11,700, the Daisen area with 4,100 and the Unzen area with 2,900. Alien spending in the 10 national park areas were: Fuji-Hakone, ¥390,000,000; Seto Inland Sea, ¥110,000,000; Nikko, ¥98,000,000; Ise-Shima, ¥62,000,000; Shikotsu-Toya, ¥45,000,000; Aso, ¥32,000,000; Joshinetsu, ¥21,000,000; Unzen, ¥13,000,000; Chichibu-Tama, ¥7,000,000; and the Central Japan mountain area ¥3,000,000.

Dept. Stores:—Sales by the 15 department stores in Tokyo during December last year totalled about ¥15,300,000,000, up 14.3% over the sales in the like month in 1954, according to the Japan Department Stores Association. This is a new monthly peak since the war's termination. The association attributes this marked pickup in sales to 1) bumper crops; 2) bright economic prospects, and 3) fair weather.

Consumer Price:—The consumer price index followed a crablike zigzag during 1955 with the average for the year down by 1.4% from the 1954 average, according to the Statistics Bureau of the Prime Minister's Office. The decline of food prices due to bumper crops and the growing popular zeal to save were responsible for the trend.

Government's Waste:—Some 2,247 cases of unreasonable squandering by Government offices during the 1954 fiscal year were detected by the Board of Audit, it was announced recently. This marked an increase of 15 cases over fiscal 1953 when 2,132 such cases were disclosed. The total amount of money thus found squandered, however, stood at some ¥7,300,000,000, about half the amount wasted in fiscal 1953. The

Ministry of Agriculture and Forestry headed the list of Government offices blamed with 1,138 cases with the Ministry of Finance coming second with 727 cases. The Ministry of Construction (126 cases), the Ministry of Welfare (55 cases), the Ministry of Transportation (35 cases) and the Prime Minister's Office (30 cases) followed.

On the list of appropriations squandered, those connected with governmental subsidies led with 1,114 cases (all ministries inclusive) involving ¥2,700,000,000.

Corporate Incomes:—Nihon Cement Co., Ltd. headed the list of corporations (with capital over ¥100,000,000) which garnered sizable incomes during the half-year term ending October, 1955, according to the latest report of the Tax Administration Agency. During the term under review, the declared incomes of 87 leading firms increased by 21.4% over those in the preceding term while the net profits gained 15.7%. Electric machinery and appliances companies achieved the best results with the incomes in the term under review up 123.7% over the preceding term apparently due to active sales of washing machines and television sets. Textiles followed with the gain of 59.7% and paper-pulp with the increase of 37.7%. On the other hand, transportation machinery slipped by 22.2%. The 10 headliners were:

CORPORATE INCOMES
(In million yen)

Company	*Incomes	Preceding term
Nihon Cement	784	757
Fuji Film	743	736
Toyo Spinning	672	677
Kubota Iron Works.....	467	447
Kokoku Rayon Pulp	445	136
Isuzu Automobile.....	367	399
Dai Nippon Spinning	321	20
Nisshin Spinning	315	246
Daiwa Spinning.....	308	266
Daihatsu Kogyo	295	280

* For the six-month term ending October, 1955.

Source: Tax Administration Agency.

Television Sets:—The monthly production of television sets is bound to reach 25,000 mark in the early part of 1956, according to the Japan Tele-Communications Industrial Association. The monthly output of TV sets stood at only 1,593 in April, 1954 but a year later in April, 1955 it rose to 7,111 sets. In October, last year, the output further gained to 17,276. With five new television stations expected to be newly opened in the early part of this year, a further jump in production is certain. The past transitions were:

TELEVISION SET PRODUCTION

	1955	1954
April	7,111	1,593
May.....	7,667	2,354
June.....	8,095	2,091
July.....	9,187	2,007
August	12,178	1,979
September	15,375	2,460
October	17,276	3,188

Source: Japan Tele-Communications Ind. Assn.

Industry

Shipping

Current Boom Likely to Last

THE worldwide boom in shipping has favored the Japanese freight market to continue firm since a year ago. On the Japan-North America route, the most important line for Japanese shipping interests, the freight rate for wheat now stands at \$12.75 per ton, or 2.4 times the bottom of 1954 and 75% of the \$17 peak recorded after the Korean war. The rate for coal on the same route is \$16, or just twice the previous low and 73% of the previous high (\$22).

The rise in freight rates has been spreading gradually from tramp to liner services. The liner freightage, which once slipped to one-third of the former high, has nearly recovered the previous boom level recently.

The tanker freightage has been climbing up along with the advance of the international market. The one-year-term rate, is up 15-20% from the U.S. official rate, though it had been off 40%.

Japanese shipping interests failed to ride on the boom after the Korean War for lack of sufficient bottoms. But the current prosperity is likely to last long.

Rapid Growth of Mercantile Marine

Since 1951, the mercantile marine has been expanded markedly. As listed in Table 1, seaworthy freighters in 1955 recovered well over 80% of the prewar (1937) standard. The rapid increase of tramp steamers was especially marked. Tankers increased more sharply: the dead weight tonnage as of October, 1955, was up 54% from the prewar (1941) level.

1. POSTWAR INCREASE OF SEAWORTHY FREIGHTERS
(In 1,000 DWT)

Year*	Liners	Tramps	Total
1937	2,073	2,225	4,298
1945	—	129	127
1949	—	150	150
1951	321	494	815
1953	972	1,475	2,447
1955's % of 1937	1,371	2,101	3,472
	66.1%	94.4%	80.8%

* As of October 31 for each year.

Source for all Tables: Transportation Ministry.

2. POSTWAR INCREASE OF SEAWORTHY TANKERS
(1,000 DWT)

Year	Number	Tonnage	Tonnage Index
1941 (December)	48	627	100
1945 (December)	12	204	32
1951 (March)	24	382	61
1953 (April)	41	688	110
1955 (October)	56	969	154

The numerical boost of ocean-going vessels does not mean increased competitive power on the international shipping market. Over-age ships are unsuitable for deep-sea liner operations. As shown in Table 3, old boats with the age of more than 20

years accounted for 34.5% of the total seaworthy bottoms in 1938, but the percentage fell off to 12.6% in 1949 and 10.7% in 1955. At first glance, the merchant fleet appears to have been rejuvenated and bolstered considerably. But this is not the case. Younger craft with the age of less than 20 years include not a few inefficient boats hastily built during the Second World War. It is estimated that over-age ships and ships hastily built during the war represented 36% of the freighter tonnage and nearly 30% of the tanker fleet.

In liner services, local interests can never compete with foreign operators without high-speed efficient craft. The fact is that even their newly-built liner boats include 140,000 deadweight tons of low-speed (13 knots) vessels. Evidently, the mercantile marine is far less efficient than it was before the Second World War.

3. SEAWORTHY BOATS CLASSIFIED BY AGE
(In % of total bottoms)

Ship Age (years)	1938	1949	1955
0-5	30.4	42.0	62.6
5-10	13.2	31.5	14.2
10-15	5.4	11.2	8.4
15-20	16.6	2.7	4.1
20-25	21.0	0.8	2.5
over 25	13.5	11.8	8.2

Note: Boats not exceeding 4,000 gross tons are excluded.

More Cargoes Carried by Japanese Craft

In proportion to the numerical increase of ocean-going bottoms, an increasing quantity of outgoing and incoming cargoes has been carried by Japanese ships. Before the war (1939), 65.4% of all the cargoes was carried by Japanese vessels, but the percentage shrank to only 16% in 1949. Then, it rose year after year up to 49% in 1955, or 75% of the 1939 level. In the case of tankers, this percentage went up to 65% in 1955, and it represented 95% of the scheduled goal of 68%.

4. CARGOES CARRIED BY JAPANESE VESSELS
(In % of all outgoing and incoming cargoes)

Year*	Freighters	Tankers
1939	65.4	—
1949	16.0	—
1951	31.7	—
1952	48.2	55.0
1953	42.3	49.0
1954	48.0	60.0
1955	49.0	65.0

* Fiscal year for tankers.

Table 5 shows that major prewar routes have all been reopened by now with the majority of new efficient boats built after the war's end. Placed on these routes in 1955 were 47.8 boats per month, or 72% of the vessels placed in 1937. Particularly remarkable has been the postwar recovery of liner services for Central and South America via the Mexican Gulf; the west coast of North America and

South America; the east coast of South America, both eastward and westward: and round the world, eastward. On some of these lines, more boats are placed at present than before the war. Even on the European line where postwar recovery was not so rapid, almost the same number of boats are operating as in 1937, including those of Mitsui Steamship Co. which has not yet joined the Far Eastern Freight Conference. (As for company-by-company particulars, refer to this Column in the June 1955 issue.)

5. SHIP PLACEMENT FOR MAJOR LINER SERVICES

(Number of ships placed per month)

Destination	1937	1951	1955	1955's % of 1937
North America, West Coast	10.5	6	10	95
" " East Coast	11.5	2	1.5	13
Central & South America via Gulf....	1	—	2	200
North America, West Coast, & South America	—	—	2.5	250
South America, West Coast	2	—	1	50
" " East Coast, eastward	2	—	2	100
" " East Coast, westward	1	—	1	100
Round the World, eastward	1	—	2	200
" " westward	2.2	—	1	45
Europe (shuttle service)*	5	—	4.5	90
India, West Coast, & Persia	8.5	6.5	5.3	62
India, East Coast	6	2	3.5	58
Australia	6	—	3	50
Africa	2.5	0.5	2	80
Others	8	3	6.5	81
Total	66.2	21	47.8	72

* Including the Near and Middle East.

Note: This table covers only major lines, excluding subsidiary services.

Synthetic Textiles

SILK reeling and vegetable fibre spinning are typical examples of industries now facing difficulties. Even cotton and wool spinning are sometimes grouped together with these industries on the decline. Cotton and wool spinners contend, however, that both production of cotton and wool goods and demand for them are still turning upward in terms of quantity, though the rate of increase is tapering off compared with that of rayon and synthetic textiles. Cotton in particular still holds a predominant position in terms of volume among various textiles now in use. Cotton spinners therefore firmly believe that, if only cotton prices further decline, they are well able to compete with rayon makers. But undoubtedly man-made textiles are making big inroads into the field of natural fibres.

Natural Fibres Sluggish

The prewar record output of raw silk was as high as 99,000,000 lbs. in 1934. Postwar production has on the whole shown an upward trend, but the tempo of expansion has been quite slow. 1954 turn-out was about 34,000,000 lbs., one-third of the pre-war high. This is simply because the market for silk goods has been encroached upon increasingly by rayon and nylon, which have markedly declined in price and have improved rapidly in quality.

Jute production has been kept at a relatively high mark while ramie and flax have remained low. The

military demands for these fibres during the war have been lost. Moreover vegetable fibres have gradually been pushed into the shade by synthetic products, such as nylon and vinylon, particularly for making fishing nets, sails and hoses. Just as in the case of raw silk, they cannot vie with synthetic textiles in price and quality.

Whereas source materials for flax and ramie are largely available at home, cotton and wool have to be imported from abroad. Moreover, cotton and wool products are for markets abroad. In other words, both materials and manufactures are key international commodities in the cotton and wool industries. Their postwar rehabilitations have been far more rapid than silk reeling and vegetable fibre spinning.

In 1945, there were only 2,000,000 cotton spindles. When the industry enjoyed a boomlet during the Korean war, about 2,000,000 spindles were newly installed in a matter of two years.

The wool industry also had a similar capacity expansion. In 1946, there were not more than 390,000 spindles. But the number of spindles in 1952 eclipsed the 1,000,000 mark, and it rapidly jumped to nearly 2,000,000 in 1953.

A setback set in as early as 1952. For 15 months from March of that year to May, 1953, cotton spinners had to curtail their operations. In the wool industry, it was in 1954 that signs of over-capacity came to the fore with the aggravation of the deflationary tendency. Since May, 1955, cotton spinners have been enforcing the second operation curtailment. All this is ascribed to the fact that both domestic demand and overseas sales have apparently reached their limits as a reaction to the rapid postwar expansion.

1. POSTWAR PRODUCTION OF MAJOR TEXTILES

(In million lbs.)

	Cotton Yarn	Wool Yarn	Vegetable Fibre Yarn	Raw Silk	Rayon		Synthetic Textile
					Staple	Fila- ment	
Prewar Record..	1,586	123	105	99	327	336	0
(yr. in brackets)	(1937)	(1939)	(1940)	(1934)	(1938)	(1937)	
1950	525	72	53	23	150	103	1
1951	743	113	75	28	231	138	7
1952	779	151	81	34	262	142	8
1953	914	187	95	33	358	163	14
1954	1,024	169	95	34	448	185	21
1955	964	179	100	33	530	193	35
1960	941	205	100	52	757	229	262

Note: The figures for 1955 are estimates, and those for 1960 are the scheduled goals for the last year of the six-year plan mapped out by the Council for Comprehensive Textile Policy.

Rayon Staple Boom

In striking contrast to the advance of rayon goods, trade volume has been relatively shrinking for cotton goods in the world textile market. Japan's cotton industry in particular has been feeling the pinch of double effects: i.e. 1) rival enterprises have been aggressively developed in India and Pakistan, and 2) markets have been snatched away by cheap spun

rayon goods at home and abroad. Thus, efforts have been pushed to sell cotton goods to the United States and countries in Europe, but this sales policy has come to be denounced as dumping.

Cotton cloth production soon reached the postwar peak of 3,180,000,000 sq. yds. in 1954. The 1955 output is estimated to have dropped below this level, and exports have little chance of far exceeding the 1,278,000,000-sq. yds. mark recorded in 1954 and during the Korean war boom of 1950-51.

Such topheavy conditions in natural fibres are sharply contrasted to the recent headway of rayon and synthetic textiles. Especially remarkable has been the jumping advance of rayon staple.

Two years ago in 1953, Japan's rayon staple production not only topped the prewar record but also exceeded that of the United States, which had been the largest producer in the world since the war's end. The tempo of increase was further stepped up, and 1955 output is estimated to have reached 530,000,000 lbs. The figure exceeds the estimates in other advanced countries: namely 380,000,000 lbs. in the United States, 314,000,000 lbs. in West Germany, and 242,000,000 lbs. in England. Our postwar growth of the rayon staple industry is particularly conspicuous in the worldwide trend of progress.

This is due, in the first place, to the fact that spun rayon goods can well emulate cotton and wool goods in quality, price and application. Furthermore, this man-made fibre can easily and effectively be mixed with cotton or wool.

Postwar rayon staple consumption per capita has been on the rapid gain: i.e. 1.19 lbs. in 1951, 2.33 lbs. in 1952, 3.14 lbs. in 1953, and 3.64 lbs. in 1954. Spun rayon goods exports, too, increased year after year and reached 115,000,000 lbs. in 1954, which is a 62% increase from the prewar record of 72,000,000 lbs. in 1939. In 1955, the figure made another jump to 170,000,000 lbs, which is 2.4 times the record amount in 1939.

Japan's exports of rayon staple and manufactures thereof in 1954 amounted to 22% of the world's total. It is to be noted that spun rayon cloth and yarn accounted for a large percentage of Japan's spun rayon goods exports, while other countries, such as West Germany, Italy, England and France sold abroad more rayon staple than manufactured products. This means that Japan can compete more favorably with these rivals in highly processed rayon goods than in rayon staple.

Postwar production of rayon filament, has been following an upward curve, but it still remains far below the prewar high mark. This is attributed, first of all, to the loss of markets in Korea and China. Rayon goods exports in 1954 amounted to 64,000,000 lbs., only 38% of 167,000,000 lbs. in 1937.

Natural Fibres vs. Man-made Textiles

Rayon is replacing cotton as the most important textile for mankind, but cotton still holds its over-

whelming predominance in terms of quantity. In 1954, the aggregate output of cotton and all other natural fibres was 1,320,000,000 lbs. compared with 654,000,000 lbs. for all kinds of man-made textiles.

This relationship, however, will undergo a sharp change in the coming years. According to the estimates calculated by the Council for Comprehensive Textile Policy, 1960 production will be 1,298,000,000 lbs. for natural fibres and 1,248,000,000 lbs. for man-made textiles. The Council's estimates are apparently incorporated into the Government's six-year economic plan, which underlines, as basic principles for the textile industry, 1) following the worldwide advance of rayon and 2) raising the percentage in production of man-made textiles to increase self-sufficiency. Steps are taken to further the following goals.

1) Gradual curtailment in the domestic consumption ratio of natural fibres, to synthetic textiles and expansion of exports through improvement in quality and reduction in cost.

2) Increase in domestic consumption of man-made textiles, to reduce imports of natural fibres, and expansion of exports of synthetic textiles.

These steps are planned to make the ratio of natural fibres to man-made textiles 58 to 42 in 1960 from 1954's 70 to 30. In order to achieve these production goals, liberal encouragement is to be granted to synthetic textiles and acetylcellulose, and manufacturing facilities in the fields of natural fibre spinning and weaving are to be restricted or transferred to other purposes. If necessary, the Government will buy superfluous equipment in these lines.

Such reduction of textile imports and elevation of self-supply is not at all a new idea. It was in 1952 that a five-year program was worked out for expansion of the synthetic textile industry. For this purpose, liberal financial facilities have since been offered, tax burdens reduced or suspended, and other promotional steps pursued. In carrying out the six-year economic plan, a good deal again is expected of synthetic textiles.

Upon successful industrialization in Japan, nylon production has been climbing up more rapidly than anticipated. Vinylen now appears to have found fairly stabilized demand at home. Vinyliden in Japan has not yet such big demand as in the United States.

Acetylcellulose, dacron (of polyester series) and dynel (of polyacryl series), are on the way to complete industrialization. Like rayon, their inroads into the market are expected.

2. POSTWAR OUTPUT OF SYNTHETIC TEXTILES

(In 1,000 lbs.)

	Nylon	Vynylon	Vynyliden
1949	22	77	—
1950	219	774	—
1951	1,018	5,999	—
1952	1,912	5,726	181
1953	4,601	8,594	1,212
1954	10,092	8,093	3,173
1960 (goals)	56,000	96,000	16,000

Source: Council for Comprehensive Textile Policy,

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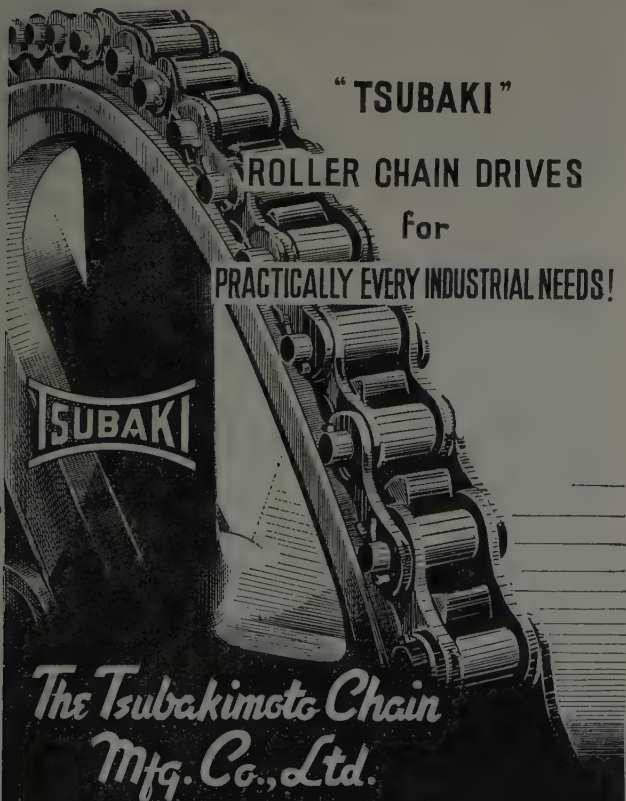
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Japan's Economic Course in 1956

By *Tanzan Ishibashi*

It appears generally agreed that Japan is destined to fare economically well in 1956. Whether such an optimistic anticipation becomes a reality, however, depends entirely upon the endeavor and determination of the Japanese Government and people in steering the country in the right direction. Which of the major problems facing Japan today, then, should receive first consideration? In the opinion of the writer, top priority in the execution of economic and financial policies in 1956 should be given to the employment problem—the eradication of joblessness through the speedy expansion of employment while effectively holding inflation in check. This must be the first goal of the Administration this year. The problem of employment, however, is apt to be neglected in the prominence of the questions directly concerned with money. Most people are apparently inclined to consider that the tightening of money is the first keynote of the so-called sound economy. The writer takes a different view.

Initiative Wanted

Several months ago, the writer had a chance of inspecting a certain construction work. There, all necessary machines and tools were ready, essential raw materials were easily available and skilled labor was in waiting. With everything thus in readiness, however, the comptroller in charge complained that the work had to be delayed against his will because of the lack of necessary funds. Workers and raw materials within easy reach could not be timely utilized in the absence of ready cash. The completion of a mill which, if placed in operation on time, could have contributed more quickly to production, had to be uselessly procrastinated due to the shortage of money to pay for labor and materials. Similar regrettable instances must be numerous in various phases of the national economy. Money certainly speaks in like cases. It does not necessarily follow, however, that the writer is in favor of any reckless spending. The uncontrolled release of money is certain to lead to inflation, and this is not a welcome policy. Some scholars opine that in the choice between rising unemployment and inflation the latter should first be tolerated. This view, which is partially feasible, is not unconditionally approved by the writer who presumes that under the circumstances the effort should first be made to seek a measure to expand employment without causing an inflationary spiral.

The Japanese economy in 1955 fared well due to the unexpected pickup of export trade. As a result, the balance of international accounts was markedly

in the black despite the dwindling special procurement demands, and industrial activity as a whole hit a new postwar high although the gains were not overall for all branches. Employment was prevented from making any recession though it failed to make a positive hike. Hence, the continued march of export trade, if kept at the present tempo, is likely to give strong impetus to employment expansion without the process of inflation. Whether Japan's export trade will continue to advance at the present pace, however, is problematic. The unexpected animation of export trade during 1955 was principally attributable to the overseas business boom. This support, however, is extremely negative. A certain foreign visitor here is said to have opined that Japanese export trade is surviving on the orders received uninvited from overseas customers as traders here do not endeavor to sell more on their own initiative.

He is not wide of the mark. The Government and traders are called upon to reflect deeply if it was true that Japanese goods sold well spontaneously last year solely because of the overseas business boom without the Japanese side making any positive gestures. The writer, as Minister of International Trade and Industry, is ready to do the best he can in taking effective measures to give a positive push to Japanese export trade such as an improvement of export financing and export insurance systems, wider public relations campaigns of Japanese goods in overseas markets and a better support for after-service facilities. On the other hand, the writer is earnestly desirous of having the complete elimination of any excessive and reckless competitions among Japanese traders and manufacturers. Because of such reckless competitions, Japanese traders have been compelled to sell export goods at the lowest possible prices and to buy import products at the highest possible quotations. In consequence, Japan has been compelled so far to accept unduly unfair trade terms which have damaged the national economy at home and impaired the credit of Japanese articles abroad. A deplorable situation in which many countries have been insisting on the application of GATT's Article 35 against Japan despite the latter's admission to this international trade agreement is undeniably a result of such foolish competitions. The writer fears that the continuance of this regrettable state of affairs without any self-reflection on the part of traders may compel the Government to try to strengthen restrictions on trade operations and may eventually lead it to study the advisability of nationalization of foreign trade.

One of the most urgent steps which should be swiftly taken to complete Japan's export trade system is the extension of positive cooperation to Southeast Asian countries for their economic developments through the active and positive exports of Japanese technique and capital to those areas as advocated at the Colombo Plan Consultative Meeting at Singapore. Japan knows well by experience that promotion of export trade is largely accessory to investment abroad.

This will hold more true with Japan's trade with Southeast Asia or Central and South Americas which have few indigenous products to offer to Japan. Japanese exports to those countries are certain to increase sharply if Japan can find some proper collateral goods to import in exchange. Hence, Japan's cooperation for the economic developments in those regions through active capital and technical investments means in other words the increase of the variety of products which Japan may import from those areas. That, in turn, will result in boosting Japanese exports to those destinations.

Debts Payments First

It is true that investments abroad may carry some risks, but any hesitation to make overseas investments because of the risks will deprive Japan of the chances of expanding her trade on a large scale and will disable her to make a big expansion in production. To encourage overseas investments, therefore, the Government is urged to take proper and effective measures like, for instance, investment insurance or investment financing. Private enterprises, on their part, are also called upon to make a positive advance to overseas markets through well-planned investments to the elimination of suicidal competitions on the domestic market. There is however, one important problem which Japan is obliged to settle before embarking upon any large-scale investments abroad—the problem of payments of Japanese foreign debts including reparations. If such foreign debts payments reach a huge total, there may not be a chance for sizable overseas investments, at least for the time being. Japan certainly stands under the urgent obligation of settling satisfactorily outstanding foreign debts inclusive of reparations payments at the earliest possible date. The failure to settle this important problem has been immeasurably hampering Japan's legitimate economic operations overseas including foreign trade. Reparations payments themselves are not an overall minus to Japan, as they will be made in the form of services and capital goods to contribute to the economic developments of the claimant nations and result in increased production and better prosperity in the recipient countries. Such favorable effects are bound to boomeranged directly to Japan.

The plain fact that importation (or overseas investment) is a predominant prerequisite to exportation is oftentimes neglected. A policy aimed at

reducing imports as much as possible by domestic production is certain to dwarf exports accordingly. Some countries may desire to import Japanese goods, but unless Japan is ready to buy some of their products, they will be unable to pay for what they would buy from this country, and Japan eventually will not be able to be paid for what she exports. Hence, active importation is an indispensable key to brisk exportation and larger production. Britain in the 19th Century achieved a big success by this formula through the abolition of the Corn Law. The writer does not mean to urge Japan today to follow this old British example, but considers that the formula still deserves an exhaustive scrutiny.

Home Consumption Vital

The writer, by making a lengthy reference to the importance of foreign trade, does not necessarily believe in foreign trade as the one and only panacea for the Japanese economy. Some people, chronically convinced of the merit of export trade as all-powerful, are apt to preach as if the increase of domestic consumption were an unpardonable sin. They are mistaken. The ultimate aim of all economic activities should be the stabilization and betterment of public life and welfare, and any increase in domestic consumption indicates the corresponding elevation of the national living standard. It should be a tendency to be highly welcomed. Foreign trade is valued only as a means of sharing the benefit of the international division of labor and thereby increasing domestic consumption. Moreover, export industries do not thrive only on export trade. For instance, textile goods, for years the pillar of the Japanese export industries, have continued to maintain the predominant position in export trade solely because of active domestic demands. The same is the case with the Japanese shipbuilding industry now kept busy to meet a wild rush of orders from abroad. All export industries are thus able to survive on the firm root of large domestic consumption. Exports are the flowers which have bloomed on this domestic root. They say that the progress of Japanese automobile industry has been extremely slow, but Japanese trucks have already been popular in some foreign markets and it is quite probable that Japanese passenger cars will also be exported in quantities if the domestic demand grows bigger. It should thus be borne in mind that active export trade depends much on brisk domestic demands.

Last but not least, the writer earnestly believes that the spirit of independence and self-respect is the most important prerequisite for the future economic and political growth of Japan. Frankly speaking, however, Japan today appears to lack this spirit. The "administration first" policy, enforced during and after the war, has robbed the Japanese people of this indispensable spirit. This autocratic politics has continued to dictate every detail of national activities, including private enterprises. Hence, it

should be the political and governmental systems which require overall reforms first. However, the course of politics is always subject to the will of the people and the Government cannot act in disregard of the popular will. Thus, the Government will find it difficult to break the present situation, much as it may wish to do so, without the revival of the spirit

of independence among the Japanese people. In the early days of the Meiji era, Yukichi Fukuzawa, a noted educator, proclaimed the "spirit of independence and self-respect" as the guiding principle in the construction of a new Japan. The writer is ready to start a new movement again for Japan's reconstruction with the same motto.

(The writer is Minister of International Trade and Industry).

Liberalization of Trade and Exchange

By Shigeo Horie

FREER trade and freer convertibility of currencies are said to be the current trend. Notable progress in this direction has been made during the past few years; and it is probably true that liberalization of trade and exchange has been a major factor contributing to the prosperity of the world economy today. Nevertheless, when it comes to the actual course of liberalization as set for the world economy the comprehension of the general public is not necessarily clear.

In so far as Japan is committed to a trade policy through which to play a satisfactory role in the world economy and to promote the development of her own economy, it is obvious that the trend toward the liberalization of trade and exchange cannot be ignored. Moreover, it is essential that an accurate conception be had of the freer trade and convertibility in order to avoid mistakes in planning as a nation.

Freer Trade and Internal Economy

The writer would like to point out first of all in this connection that in aiming for freer trade and exchange the objective is not complete freedom such as was exercised in trade and in foreign exchange transactions in the days where the gold standard was prevalent, but the least amount of control needed to maintain equilibrium within the domestic economy.

Externally, ever since World War II, the so-called dollar gap has been the outstanding structural feature of the world economy; while internally, in so far as the problem of full employment continues to exist the resumption of completely free transactions as were possible under the gold standard is probably in the realm of fantasy.

Consequently, when speaking of the steps to be taken in achieving freer trade and exchange, the aim cannot be in the direction of the old gold standard system, but must be a course permitting preference for internal stability as against external equilibrium yet striking a harmonious balance between these two requirements. In other words, the course must be taken to the liberation from the extreme policy, initiated in the thirties, of according top priority to internal stability in disregard of external

stability. The ignoring of external equilibrium led to reduction in the size of the world economy, and it is evident from subsequent experience that the outcome was disruption of internal stability.

This line of thinking leads us to see that the present problem of liberalization, because harmony must be obtained between internal and external stability, is based on the premise of domestic economic normalcy to be achieved through a sound fiscal policy and a flexible monetary policy.

In this sense, normalization of the domestic economic basis is now a world trend running parallel to liberalization of trade and exchange. Consequently we in Japan must be more attentive not merely to the manifestations of liberalization, but also to the factors contributing to the basic tone of the internal economy.

How then are freer trade and freer exchange, in the sense explained above, being sought? If, before going into the details of the various measures, a general summary of the situation is made, the two points outlined below become apparent.

- a. Abolition of quantitative restrictions on imports.
- b. Restoration of the principle of non-discrimination in trade.

These are the nuclei of the liberalization that is now in progress; and it can be said that the various measures toward decontrol have been and are being implemented one after another in the fields of trade and foreign exchange in full view of these aims.

Present Status of Trade Liberalization

Let us turn then to what has been done in the way of more freedom in world trade. The leading roles in this movement since the war have been played by two international organizations, the General Agreement on Tariffs and Trade (GATT) and the Organization for European Economic Cooperation (OEEC). The immediate problems faced by action toward freer trade were abolition of quantitative restrictions on imports, lowering of tariff barriers, and termination of discrimination against dollar imports. As of today, considerable progress has been made in all these respects; and it appears

that in abolition of quantitative restrictions, the limits of liberalization have about been reached.

The efforts of GATT exerted for freer trade are concentrated on the lowering of tariff barriers. To date the number of trade items on which tariff rates have been reduced or removed through GATT action is estimated to be about 58,700; and the reduced rates set by GATT are uniformly applicable to all nations participating in GATT, with the exception of the few that resorted to the escape clause at the time of Japan's entry into GATT last year. Obviously such international cooperation in the reduction of tariffs has an immensely beneficial effect upon expansion of world trade; and in this sense it is highly desirable that the discriminatory action taken against Japan be ended as soon as practicable.

During the conferences held by GATT in Geneva in late 1954 through early 1955, some changes were introduced in the agreement to expand the scope of GATT functions from mere tariffs reduction to supervision of policies aiming at a greater freedom in trade. These enlarged functions of GATT will, after due ratification by the participant nations, be undertaken by the Organization for Trade Cooperation (OTC) which is scheduled to be set up as a permanent office of GATT. The changes resolved last year were:

a. Insofar as quantitative restriction of import by reason of a nation's balance of payments must be promptly ended, the OTC will, during a specific period agreed upon by the GATT participants, review the restrictive measures currently in force, and subsequently all nations which find themselves unable to discontinue quantitative restriction will be required each year to consult with the OTC.

b. In the case, however, of nations resorting to quantitative restriction not because of balance of payments but for the purpose of protecting domestic industry (mainly agriculture), and where the removal of restriction is likely to affect adversely the industry in question the provisional continuation of import restriction will be permitted for not longer than five years. The United States also will be permitted under certain conditions to continue with quantitative restriction necessitated by the domestic farm price support program.

c. In the case of underdeveloped countries, quantitative restriction of imports will be permitted not only to protect and develop new industries but for the purpose of maintaining proper balance of payments, provided the unbalance is caused by increase in imports for economic development. In this connection preferential treatment for import of goods from Crown Colonies into the United Kingdom will be permitted when necessary for the protection of certain industries in these Colonies.

d. In order to prevent unfair competition in export trade, the general rule will be not to condone increases in or new institution of subsidies for export. However, with primary products, some leeway is

provided for subsidization so long as it is not unreasonable.

The foregoing outlines in summary the measures for liberalization of world trade as undertaken by GATT. While a new step forward is being made toward removal of quantitative restriction of imports, it is predictable that the way for freer trade will be no easy one considering that from the start resistance has been encountered on the one side among the industrialized nations anxious to protect their own production, particularly agricultural, and on the other among the underdeveloped countries in connection with efforts toward industrialization.

In other words it can be said that quantitative restriction not resulting from such resistance—restriction imposed by advanced nations by reason of balance of payments—has, as can be seen in the case of OEEC nations, been reduced to about the minimum; so progress in liberalization of world trade from now on hinges on the extent to which the above-mentioned resistances can be overcome.

Trade Liberalization Progress

When discussing freer trade in Japan, the plan for liberalization within the OEEC area is usually referred to as an example. Actually, it can be said that here alone throughout the world has liberalization of international trade made such notable progress. The movement toward freer trade among the OEEC nations (including their overseas possessions) is cen-

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tered around a general agreement to terminate quantitative restriction on imports. This arrangement is now being extended to the non-dollar (e.g. the British Commonwealth nations) countries outside the OEEC area. The rate of liberalization is indicated by a percentage scale, calculated on the basis of imports in 1948 (as for the levels of West Germany and Austria in 1949 and 1952 are taken as the standard respectively) and targets are set for specific periods. For instance, it was decided in January 1955 to advance the liberalization rate to 90 percent by October 1. To date only five nations—West Germany, Netherlands, Italy, Portugal and Sweden—have been able to achieve the goal; and the United Kingdom and some other European countries have not succeeded. But even in the case of these latter, the achievement has generally been good, with the 75 percent accomplished by Norway being the lowest level. Consequently, it appears that liberalization within the OEEC area has gone ahead about as far as it can be made to go. The quantitative restriction that remains is necessitated by special protective action in regard to domestic industry, particularly farming; and removal of this remaining restriction will probably be difficult because of defense and employment problems.

Another difficulty lying athwart the line of advance in liberalization is the dollar gap. The OEEC not only strives to liberalize trade within the OEEC area but also between that area and the dollar area; and because the balance of payments of many of the OEEC nations has improved notably during the past few years considerable progress in this direction also has been seen. For instance, Belgium, Greece, Netherlands and Switzerland have abolished all discriminatory measures against dollar imports; while West Germany and the United Kingdom also have relaxed the restrictions although not to the extent done for intra-area trade.

It must, however, be noted that behind this progress in liberalization of trade is the \$2,000 million or so in aid and government spending that the United States has been extending to the nations concerned; and consequently the mitigation of the dollar gap problem cannot be taken at face value.

I have already stated that among the underdeveloped nations there is strong opposition to discontinuation of quantitative restriction of imports. In some countries, such as Australia and South Africa the strengthening of quantitative restriction reflects the tendency toward worsening of their payments position. Nevertheless, all things considered, it can be said that the movement toward freer trade is coming up to a turning point.

Liberalization of Foreign Exchange

Paralleling the movement toward freer trade is the progress made in liberalization of foreign exchange transactions by the International Monetary Fund (IMF) and the European Payments Union (EPU). The main concern of these organizations is to restore con-

vertibility of currencies in line with the principle of non-discrimination in trade.

The problem of currency convertibility has two aspects—resident convertibility and non-resident convertibility. But with the controlled currency system now being the basis of the world economy, the more urgent problem is that of restoring non-resident convertibility; and consequently such currencies as are more usually held by non-residents—the U.K. pound sterling and the West German mark—are the subject of study. Moreover, as a result of the relaxation of exchange control by both Britain and West Germany in early 1954 the pound sterling and the German mark were given complete non-resident convertibility within the non-dollar area in the forms of the Transferable Sterling and the BECO Mark. Consequently, the problem now has boiled down to that of convertibility into U.S. dollars. This can be achieved by removal of all discriminatory measures against dollar trade in the field of exchange transactions; and not only would such action uphold the principle of non-discrimination of trade but would contribute immensely to proper sharing of the benefits arising from international division of labor.

Restoration of Convertibility

Currently in sharp focus, in the matter of convertibility into U.S. dollars, is the pound sterling. However, the probability of restoration of convertibility to the pound sterling has receded somewhat as compared to some time ago. This is because the recent domestic business boom in the United Kingdom resulted in a trend toward worsening of that nation's balance of payments. But in any case this must be considered a temporary setback, and the basic course toward convertibility remains completely unchanged.

For instance, in order to effect adjustments between convertibility and the multilateral settlement system of the EPU, the European Monetary Agreement (EMA) which permits the use of a flexible exchange rate system has been recently established. This is a preparatory step made in anticipation of the convertibility of the pound sterling. Furthermore, through the use in actual practice of *de facto convertibility* a formula has been worked out for boosting the pound sterling convertibility. One example is the convertibility effected through commodity transactions in the world market, with Britain permitting *de facto* convertibility in the case of five specific commodities—coffee, cocoa, non-ferrous metals, sugar and copra. In short, by permitting payments in non-dollar currencies for dollar-purchased commodities *de facto* convertibility of the pound sterling into U.S. dollars is now being effected.

Another example is the recognition of transactions in transferable pound sterling in the free markets such as New York and Zurich. Although at a somewhat discounted rate than for the official pound sterling, the sterling can be freely converted into dollars. Since February 1954 with the entry of the stabiliza-

tion account into these transferable sterling transactions the discount margin has closed to about 1 per cent and the actual convertibility of the pound sterling in the open market has been appreciably strengthened.

In addition to the pound sterling, the West German mark, the Belgian franc, and the Netherlands guilder are well on the way toward free convertibility; and under the present circumstances the convertibility of these currencies appears to be merely a question of time.

The IMF has on every occasion indicated support toward restoration of convertibility; while, basing its stand on the principle of non-discrimination in trade, it has directed its efforts toward removal of bilateral trade agreements. Today, there are still in effect some 400 bilateral settlement arrangements, but the bulk of these arrangements which exist among the OEEC nations are in practice being changed to the multilateral system. Generally speaking, the bilateral method of mutual credit extension has become inadequate and operations are tending to bog down. Consequently the method is losing its usefulness. Nevertheless, it must be noted here too that the considerations made by the advanced nations in regard to the protection of export industries and to the securing of export markets are tending to constitute a major obstruction to removal of bilateral arrangements.

Japan's Position and Liberalization

Now, although as explained above the world trend is definitely toward freer trade and exchange, the movement is centered mainly about the actions of the European nations in reducing quantitative restriction of imports and boosting the convertibility of their currencies. That considerable progress has been made is undeniable, but the conditions that have made this achievement possible are, externally speaking, the dollar aid from the United States which has contributed much toward betterment of the payments position, and internally the maintenance of soundness in government finance and credit. Nevertheless, there still remain such problems as the dollar gap and the economic troubles of the underdeveloped nations; and although to counter these the United States is attempting liberalization of its own trade policy and planning an aid toward economic development of the underdeveloped countries, one must continue to be somewhat sceptical of the spread of liberalization on a worldwide scale. What then should be Japan's attitude under such circumstances?

Needless to say the ideal would be, like the nations of Western Europe, to reduce quantitative restriction on imports, strive toward convertibility of the yen, and thus obtain the maximum possible benefit out of international division of Labor. But the question is whether or not Japan's economy is such that action of this sort can be safely undertaken. Although today our payments position is fairly good it is still such that without United States Government offshore procurements and other dollar spendings the balance

of trade is barely maintained. Moreover, with a definite surplus of manpower, industrial productivity is at a low level; and the economy is, in certain respects, comparable to that of the underdeveloped nations. Consequently the most immediate problem is that of overcoming these backward handicaps; and liberalization of trade and exchange must be advanced with extreme caution only to the extent warranted by the nation's strength.

In connection with the overcoming of backward tendencies, what is even more pressing that liberalization of trade and foreign exchange is restoration of normalcy to all facets of the Japanese economy. Even within the restricted field of trade and exchange the matters calling for remedial action are indeed numerous. In order to undertake efficient importation it will be necessary to expand the Automatic Approval System and thus normalize the functions of the trading companies. Credit related to foreign exchange transactions should be normalized by utilization of low-interest credit obtainable in the world money market. The exchange control system should be changed from the present rigid and protective regulation enforced directly by the state to something more like that practiced by the EPU countries with due allowance made for market factors. There are of course many more problems that must be tackled; but efforts toward normalization, the writer believes, would be the surest and safest steps for Japan to take in the direction of freer trade and exchange.

(The writer is managing director of the Bank of Tokyo)

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Glimpses of Japanese Culture

Past and Present of Archaeology in Japan

By Namio Egami

In Japan, archaeology started during the Later Yedo Period (18th century) when some of the intellectuals of the day, influenced by the scholastic pursuits of the Ching Dynasty in China, showed a mounting interest in remains and relics. However, true archaeological research had to wait until the beginning of the Meiji Era (1865) when Henry von Siebold produced his two monumental books, "*Koko Setsuryaku*" (The Outline of Archaeology) and "Notes on Japanese Archaeology with Special Reference to the Stone Age."

Under the European scholar's guidance, such Japanese savants as Shikitane Ninagawa and Kohei Kanda contributed much to the advancement of Japanese archaeology. It received further impetus in 1877 when Edward S. Morse, on his way to a Tokyo University post, found ancient shell mounds near Omori. His findings, later published in a scholarly volume entitled "Shell Mounds of Omori", further aroused Japanese interest in prehistoric culture.

In 1884, slightly after Morse's discovery, the *Anthropological Society* was founded by Dr. Masagoro Tsuboi and his Tokyo University followers. By 1886 the society had gained strength enough to publish its own journal. Stimulated by the new interest in human past, Dr. Yonekichi Miyake and his associates established the *Archaeological Society* in 1895 which began issuing its own magazine in the following year.

Thus, by the close of the Meiji Era (1867-1912) all basic problems of Japanese archaeology had been virtually answered. At that time, however, Japanese archaeology was still in its infancy as a science, since the methods of excavation and treatment of relics were rather primitive and crude.

Awakening of Modern Archaeology

It was Dr. Kosaku Hamada of Kyoto University who, during the Taisho Era (1912-1926), elevated archaeology in Japan to the level of a modern science. In volume after volume of his famous "Reports on Archaeological Research" starting in 1917, Dr. Hamada described with amazing competence how such investigations should be conducted and how reports should be made. Spurred on by the accomplishments of their Kyoto colleagues, scholars of the *Anthropological Institute* at the University of Tokyo launched a study of prehistoric culture in eastern Japan.

This keen interest in ancient culture, aroused in the Taisho Era, continued to gain momentum during the Showa Period (1926 to the present). Numerous study groups sprang up throughout the country. Particularly significant was the appearance of prefectural study organizations which contributed to popular acceptance of the science and helped coordinate activities of the various societies.

Among the most active study groups, the best known was probably the *Society for Archaeological Research* (later the *Tokyo Archaeological Society*) established in 1927 by young archaeologists in Tokyo. The *Oyama Research Institute of Prehistoric Culture* was organized at about the same time by noted archaeologist Kashiwa Oyama. The *Archaeological Society*, founded in 1937 by Kyoto scholars under Dr. Hamada's direction was another important group. In 1941, the *Tokyo Archaeological Society* disbanded to form a stronger group, the *Society of Ancient Japanese Culture*.

As a result of their researches it became possible to divide ancient Japanese culture into four distinct periods: (1) the

Jomon period which belongs to the neolithic age; (2) the Yayoi period in which stone, bronze and iron implements were used; (3) the Proto-historic tumulus period when many varied mounds were made; and (4) the historic age, in and after the Asuka-Nara Dynasties. The Jomon culture was that of hunters and fishermen, while the Yayoi age was characterized by the development of farming tribes. After World War II, an additional period called the Pre-Jomon or Non-ceramic age was added, bringing the total to five periods of ancient Japanese culture.

Japanese exploration of ancient cultures in East Asia gathered speed only after the end of the Russo-Japanese War in 1905, although some study had been under way since the close of the Sino-Japanese War in 1895.

The East Asian research can be divided into three separate stages: the first, up to the outbreak of hostilities in Manchuria in 1931; the second to the end of the Pacific War in 1945; and the third stage to the present time.

Researches into East Asia

During the first stage, intensive exploration was conducted under government sponsorship in such areas as Korea, southern Manchuria, East Mongolia, and Formosa. The field of investigation was widened greatly during the second period with the addition of eastern and western Manchuria, Inner Mongolia, and central and northern China. Among the various research organizations participating in this exploration, the most prominent included the group under the Governor-General of Korea, the *Far Eastern Archaeological Society*, the *Academy of Oriental Culture*, the *Manchon-Japanese Cultural Society*, and the *Institute for Oriental Culture*.

The results of the work done by the Governor-General of Korea were assembled in the 15-volume "Atlas of Ancient Remains in Korea" and other reports, for which Dr. Tei Sekino, the director of the research, was awarded the Stanislas-Julien Prize by the French Academy. The *Far Eastern Archaeological Society*, formed in 1927 by staff scholars of Tokyo and Kyoto Universities, excavated various sites ranging in period from the Stone Age to the Yuan period in Manchuria and Mongolia. This group, whose work was sponsored by the Foreign Ministry, published its findings in the 6-volume "Archaeologia Orientalis, Series A" starting with the famous "Pi-tzu-wo" and "Archaeologia Orientalis, Series B" opening with "Inner Mongolia and the Region of the Great Wall".

The *Academy of Oriental Culture*, a third prominent organization, conducted extensive exploration of Imperial mounds, temples and Buddhistic images of the Liao-Chin period in Manchuria and northern China. The group also investigated the remains of the Nestorian Öngüts in Inner Mongolia and discovered the evidence of the first Roman Catholic Church in Asia established by Archbishop Monte Corvino during the 18th century. The *Institute for Oriental Culture* launched seven expeditions beginning in 1938 to the Buddhistic Caves of Yun-kang, built in the Six Dynasties in northern China. These expeditions, most thorough of their kind, attracted world-wide attention. The findings were published after the Pacific War in 15 volumes entitled "Yun-kang" written by Seiichi Mizuno and Toshio Nagahiro.

The *Manchon-Japanese Cultural Society* was also very active. The group, supported by Tokyo and Kyoto Universities,

traveled to T'ung-kou in Chi-ang Hsien in East Manchuria to investigate the ruins of ancient mountain forts built in Kao-Kou-li times. Drs. Hiroshi Ikeuchi and Sueji Umehara, the leaders of the expedition, made public the results in the two-volume report, "T'ung-kou". The royal tombs of the Liao Dynasty at War-in-manha in East Mongolia were also explored by the society and described in "Tombs and Mural Paintings of Ch'ing-ling" (two volumes) by Dr. Jitsuzo Tamura and Yukio Kobayashi. Both voluminous publications were awarded the Imperial Prize for their outstanding contribution to the cultural progress in Japan.

Thus, the part played by Japanese scholars in archaeological exploration and research in East Asia, particularly in Korea, Manchuria, Mongolia, and northern China was a considerable one. The close of the Pacific War, however, abruptly terminated the expansion of Japanese archaeology in this direction.

Post-war achievements

After World War II, archaeology gained great popular interest stemming from a desire to learn more of true human past, previously shrouded in feudalistic ideas and mystic faith.

Throughout the country, archaeological exploration was renewed. The famous sites of the Yayoi culture at Toro in Shizuoka Prefecture were examined. The scholastic importance of the investigation was recognized in the Diet and was later supported by a budgetary appropriation.

Unfortunately, the new popular appeal of archaeology has had some undesirable effects as well. Not only have amateurs taken away priceless relics which should have been put into a museum, but many have unknowingly destroyed objects of immense value to true scholars.

The blame for archaeological losses cannot, however, be put only on irresponsible amateurs. Between archaeologists of various study groups there was little cooperation in research. To correct this unfortunate situation, peculiar to Japanese academic groups, the *Japanese Archaeologists' Association* was inaugurated in 1948 to unify the efforts of all researchers. The organization will insure that every future excavation is carried out scientifically by responsible archaeologists.

The *Japanese Archaeologists' Association* includes a number of special committees which study such ancient cultures as the Jomon, Yayoi, and Tumulus periods. Another committee is devoted solely to the exploration of Toro sites in Shizuoka. Because of their particular significance as the only existent sites of ancient paddy fields, this four-year long study was carried on with great care under a liberal budget of 4 million yen. Experts in architecture, biology, and geography joined the archaeologists in the excavation which uncovered a complete community with dwellings and warehouses as well as the rice paddies. The various wooden tools discovered provided a clear picture of the life of our ancestors who had just begun to enjoy a rural economic and social life. The findings were assembled in a two-volume report entitled "Toro".

Other important achievements of the *Japanese Archaeologists' Association*, the *Cultural Properties Protection Committee*, a number of university groups, and other organizations include:

(1) The discovery of pre-Jomon or non-ceramic culture in various stages in the Kanto, Chubu, and Hokkaido districts which strongly suggested the existence of Palaeolithic or Mesolithic culture in Japan.

(2) The general acceptance of five-stage classification of Jomon culture, and the detailed studies of each period by competent experts. Through careful study of the earliest period the existence of two separate cultures was discovered. One is characterized by the pottery of the zig-zag designs made with

the edge of a shell and of linear designs drawn with a spatula-like implement often found in eastern Japan, and the other is marked by the pottery with the designs of twisted thread and stamped patterns discovered in central and western Japan. The former suggests early mutual intercourse between Japan and Western Eurasian areas such as Siberia in the east and the Baltic coast in the west, where the comb ceramic culture flourished.

(3) The discovery of megalithic remains in the Tohoku districts. In particular, the stone circles found at Oyu-machi in Akita Prefecture were of such large scale that they attracted an expedition of the Cultural Properties Protection Committee. Moreover, the cairns found in Hokkaido with stone circles hints that some intercourse may have existed between Hokkaido and Siberia where similar remains are often found.

(4) The discovery in Kyushu of the dolmen-surrounded urn burial sites which clearly belong to the Yayoi culture. The fact that similar ancient tombs with dolmen were unearthed in South Korea is the evidence of existence of dolmen culture connecting the northern parts of Kyushu with South Korea.

(5) The careful study of the Tumulus age which can now be classified into three periods. Investigation revealed that in the first and second periods, stone chambers of pit-type were used, while in the third period chambers with corridors were developed. Most noteworthy of the round tumulus with square fore-courts are the Imperial Mausoleums of Emperors Ojin and Nintoku, both of which are far larger than the biggest pyramids in Egypt. Comparative study revealed the amazing fact that the Ojin Mausoleum, with an area of 1,433,960 square meters built by a thousand men over an estimated period of four consecutive years, is larger than that of Nintoku.

(6) The discovery of a secret treasure in the five-storied pagoda of Horyuji Temple and the close studies of mummies of Fujiwara Kiyohira, Motohira, and Hidehira in Konjikido at the Chusonji Temple in Hiraizumi. In addition, there were explorations of the ancient sites of communities scattered through the Tohoku and Hokkaido districts which contain *tate* and *chashi* (places with defensive arrangements).

(7) The discovery of the engraved rock pictures in the Fugoppe cave near Otaru in Hokkaido: their meaning and their relationship with other rock pictures found in Temiya cave in Otaru since the beginning of the Meiji Era has been carefully studied.

Historic Undertaking

Lastly, I must report that this autumn the largest Japanese expedition ever planned will be dispatched for Iran and Iraq. The group will seek traces of our remotest ancestors who settled down to farm and raise cattle after more than several hundred thousand years of nomadic wandering as hunters and gatherers. This may shed light on the world's earliest civilization, and the expedition, sponsored by the Institute of Oriental Culture of Tokyo University, will fulfill a long-standing dream of Japanese archaeologists.

Although the exact date when farming and pasturing began is not known with certainty, Western and Iraqi scholars for the last twenty years have felt that farming first appeared about 5,000 years ago in the Orient, particularly in the northern part of Iraq. The planned expedition is Japan's bid to join the quest of the world's finest heads for a solution of this important scientific question.

The expedition's itinerary includes the city of Mosul in northern Iraq, to the west of which lie a number of ancient community sites (*tépés*) which the archaeologists will excavate for two months. Syria, Lebanon, and Iran will also be explored not only from an archaeological viewpoint but also from the standpoints of the history of art and architecture.

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Commodity Market

Cotton Goods:—The prices of cotton yarn and fabrics, which grew extremely soft from the year-end into the New Year, began to stiffen again in mid-January. On the spot market, the quotation of yarn (30s, singles) excelled the ¥90,000 mark per bale and that of 40s reached ¥98,000 while Enshu No. 1 broadcloth was quoted at ¥73 per yard, all new highs since April, 1954. The mid-January price rebounding was due to three reasons: 1) Demand for yarn began to pick up, particularly for 30s; 2) The raw cotton market started to stiffen; and 3) The February-March production curtailment rate was officially set at 12%, thus offering a definite yardstick for production programs.

Meanwhile, production dipped somewhat during 1955 due to the production cut program enforced from May. Thus, the 1955 production of cotton yarn totalled 2,138,398 bales (178,199 bales per month), as compared with 2,407,185 bales (monthly average of 200,598 bales) for 1954. Down also was the output of cotton fabrics which totalled 925,000,000 square yards (production of spinners-weavers alone given with exclusive weavers excluded), some 200,000,000 square yards less than the 1954 output. Exports of cotton fabrics in 1955 also receded 11.0% to 1,136,931,000 sq. yards from 1954's 1,278,075,000 sq. yards, principally because of the decrease in shipments to Pakistan, Indonesia, Thailand and other Southeast Asian countries. Rising exports to the United States and Western Europe were not sufficient to cover the loss to the former destinations. On the other hand, the year-end inventories of cotton yarn and fabrics in 1955 dropped 61,400 bales (in terms of yarn) to 366,700 bales from 428,100 bales as of the start of the year. In view of the fact that the inventories once exceeded the 500,000 bales mark in about May, the effect of production cuts is quite noteworthy. Thus, the cotton industry started the year of 1956 with brighter prospects in the absence of over-inventories.

The production curtailment program now in operation is about to get a legal push. Of the 8,000,000 operative spindles now installed, some 1,200,000 are considered dispensable, and the Government plans to seal 500,000 of them and transfer the remaining 700,000 to spun rayon mills. It is clear that the cotton industry has now begun to enter upon a liquidation stage after a period of expansion.

Chemical Fibres:—The rayon filament yarn market has become markedly bullish with the spot quotation, which zig-zagged around the ¥200 mark until November, last year, now reaching the ¥250 level. The sudden upsurge of rayon filament yarn was due to active exports of rayon filament yarn and fabrics. The lifting of a ban on imports of Japanese rayon filament items by Indonesia is a major incentive. Thus, December exports of rayon filament fabrics totalled 42,000,000 sq. yards and those of rayon filament yarn reached 4,700,000 lbs., both new postwar highs. The exports continued active with the January shipments estimated at 40,000,000 sq. yards. The spun rayon market followed suit with the yarn price eclipsing the ¥150 mark. Of all textile items, spun rayon items, have been in the lead both in production and exports. The 1955 exports of spun rayon fabrics totalled 521,629,000 sq. yards, up 72.4% over the 1954 exports. The exports of spun rayon yarn in 1955 also gained 14.2% to 39,169,000 lbs. over the 1954 shipments. Meanwhile, the 1955 exports of rayon filament fabrics exports totalled 342,086,000 sq. yards, a gain of 29.7%, and those of rayon filament yarn reached 18,137,000 lbs., a

hike of 4.5%, as compared with the 1954 equivalents.

On the spur of the export "boom," spun rayon equipments are bound for largescale expansion. The expansion programs due to be completed during the period from January, 1956 to March, 1957 will boost the spun rayon output by 235 tons daily (an annual increase of 186,000,000 lbs). Last year, Japan topped other countries in the output of spun rayon with the output of 537,000,000 lbs., and the production this year may well exceed 700,000,000 lbs. With the prices of cotton and woollen goods due to drop because of the declining prices of raw materials, a fierce competition is likely this year between natural and artificial fibres.

Woollen Yarn:—The continuous decline of woollen yarn due to the dull wool market apparently has come to a stop, although the retail prices of knitting yarn and spring woollen suitings are still bearish. While the imports of wool are expected to mount because of the weakening overseas market, exports of woollen goods are not likely to increase particularly. Hence, the quotations of woollens on the domestic market will continue to remain weak.

The exports of woollen goods in 1955 are compared with the 1954 results below:

EXPORTS OF WOOLLENS

(In \$1,000)

	1955 (Jan.-Nov.)	1954 (Jan.-Dec.)
Yarn	14,888	25,588
Fabrics	25,273	16,813
Others	20,179	12,154
Total	60,340	54,555

Source: Compiled by The Oriental Economist.

Major destinations for Japanese woollens were Hong Kong, South Africa, Iran, Iraq, Middle and Near East and North America.

Raw Silk:—The raw silk market continued lethargic. The 1955 exports of raw silk were rather fair, totalling 86,000 bales, the second postwar high next only to 1950's 94,000 bales. The activity, however, was largely attributable to the low quotations. On the domestic market, raw silk has fallen an easy prey to rayon filament and other chemical fibres such as Nylon. Due to the production increase of cocoons, raw silk in the coming silk year (ending May, 1957) is estimated to be 5,000 bales oversupplied. To cope with the situation, the lowering of the cocoon prices is urged in competent circles. In this connection, it was once rumored that the lowest price of raw silk under the Raw Silk Price Stabilization Law might be brought down to ¥190,000, but it became certain later that the Government would not take such a step.

MAJOR TEXTILE QUOTATIONS

		Cotton Yarn (Osaka)	Rayon Yarn (Osaka)	Spun Rayon Yarn (Osaka)	Woollen Yarn (Nagoya)	Raw Silk (Yokohama)
Nov.	5....	192.5	198.4	149.9	958	1,969
	12....	192.0	196.1	148.0	964	1,959
	19....	193.3	197.3	153.4	991	1,923
	26....	198.0	197.0	156.0	964	1,940
Dec.	3....	190.1	209.5	150.0	1,023	1,929
	10....	189.2	210.5	147.9	1,007	1,920
	17....	187.1	224.5	145.9	976	1,941
	24....	180.9	228.0	145.1	994	2,000
Jan.	28....	179.0	234.9	145.9	987	1,975
	4....	179.0	238.9	147.1	989	1,969
	7....	177.1	236.2	147.6	980	1,950
	14....	180.0	245.4	153.9	987	1,940
	19....	182.5	249.9	155.5	987	1,931

Labor

Sohyo Ready:—It was comparatively quiet on the labor front during 1955 although the wage tug-of-war between capital and labor was just as bitter as in the preceding year. The "pay boost" struggle sponsored by the "six" local industrial unions in early spring, failed to achieve the expected result. From summer through autumn, the Japan Federation of Iron and Steel Industry Workers Union and the National Federation of Textile Industry Workers Unions tried to squeeze more pay out of the management. Especially noteworthy were the strikes carried out by the influential cotton spinning company workers. However, the stunt was more eye-catching than it was rewarding.

However, the mild tone of the labor offensive in 1955 is not necessarily the testimony to the tamer labor unions. On the contrary, the unions have been building their strength during the past year for the most effective pay raise struggles planned for the coming spring. The Government workers unions have already tendered their demands for about ¥2,000 pay boost. Among the unions in the private enterprises, Coal Miners Union and Japan General Federation of Private Railways Workers Unions have likewise informed the management of their demands.

This is virtually the first time since 1948 that the Government workers and big private enterprise workers are concerting their efforts in a planned fight for a fatter pay envelope. In Sohyo's words, "this is bound to be a bigger affair than the general strike called on February 1, 1948."

Unions already pledged to take part in the struggle include Government Workers Union, Coal Miners Unions, Private Railways Workers Unions, Synthetic Chemical Industry Workers Union, Metal Miners Unions and Paper & Pulp Industry Workers Unions, all of which are under Sohyo's wings. The war-party is immensely reinforced by the allegiance of such independent unions as Electric Machinery Workers Unions, Gas Industry Workers Unions, Bank Employees Unions and Power Industry Workers Unions.

Sohyo's Attitude:—A recently published pamphlet, "For the Advancement of Pay Raise Struggle", together with the development of the strategy meeting held at Kamogawa, Chiba Prefecture, tell

the Sohyo's way of thinking concerning the recent labor-management relations.

The first point Sohyo tries to raise is that the productivity in Japan has recently doubled the 1950 figure, while the labor is getting only from 30 to 40% increase in salary. That, while management is getting the lion's share of the present prosperity, labor is still crawling in misery outside the boom is the second point in question. One prevalent opinion in which Sohyo could not concur is that if the management gives the red light to the pay hike in the big enterprises, it will save the day for the small and medium-sized enterprises now on the brink of bankruptcy. The best way to level off the salary differences between the bigger and smaller enterprise workers (index is 60 for the smaller enterprises against the bigger businesses' 100) is, in Sohyo's opinion, to cry against the rearmament, apply strata income tax system, reducing the taxes in the smaller income groups and, moreover, subsidizing them with the returns taken out of the bigger companies.

Nikkeiren's Point of View:—Under this determined labor pressure, Nikkeiren (Japan Federation of Employers Association) is prepared to give ground to a degree. Whether *the degree* will please its opposition or not, however, is highly problematical. The Association's attitude expressed in the recently published "Salary Problems and Their Implications" is rather complacent with the present situations. The paper points out that the consumer price has been showing little fluctuations recently and that the workers' living standard has been on the uptrend. It is highly probable that the salary index in the first part of 1955 will finally turn out to be more than 6% increase over the same period of the previous year, while the household budget from January to October, 1955, is in the black at ¥1,700 a month in favor of the worker. The Association also states in contradiction to the labor's way of thinking that it is grossly mistaken to think that the increase in production necessarily brings about the increase in salary. The present prosperity is only a passing phenomenon brought about by unusual business activities in the foreign countries, and the prosperity itself is showing signs of declining in the recent days. The Japanese industry can not afford to continue in the present

quantitative boom. It has now to brace up for any sudden changes in the international competitions. Business enterprises have to reduce as much loans as possible, while accumulating enough internal reserve in case of rainy days. Moreover, it is also necessary, in this world of technical revolutions, to replace obsolete machinery with the new so as not to be left behind in the production race. Reduction in business profit of the big enterprises as advocated by the labor unions is liable, when carelessly carried out, to shake the national economy unnecessarily, Keidanren asserts. The influence the big enterprises wield in every day society is so big that it is irresponsible of the unionists to jump at such drastic measures as strikes at the slightest provocation. As for the Government workers, it is not permissible for them to stage strikes demanding impossibly big salary increases. Government salary, which is often reported to be far lower than that paid by the private companies, is actually 12% higher when compared with average salary of all industries.

Joint Struggle:—Although the looming joint struggle of the Government and private unionists will certainly be of greater intensity than most of the last year's struggles, it will not be as crippling as it is generally feared. For one thing, the Government workers today are not allowed to stage strikes. For another, the public sentiment has grown so settled recently it will not take any of the most drastic measures considered permissible in 1948.

However, the business results of industry, especially the so-called exports industries have been showing encouraging signs of improving. So the workers' demands will probably be met at least to a degree. Most interesting to note in the coming spring offensive is the development of the government workers' demands, as it concerns directly with the national budget. The Government workers have already been served a "No" answer by the authorities and the mediation talks are now under way. In view of the 1956 Budget, the Mediation Committee's answer is likely to be in the negative. However, some kind of pay hike seems unavoidable to appease the workers who had been denied any boost in the past two years.

Foreign Trade

Trade Balance Improved in 1955

In the whole year of 1955, outgoings amounted to \$2,010 million, up \$380 million (23.4%) from 1954. Incomings rose from \$2,399 to \$2,476 million, a relatively small increase of \$77 million (3.2%). The adverse balance was not more than \$466 million, compared with 1953's \$1,134 million and 1954's \$770 million.

1. EXPORTS AND IMPORTS IN 1953-55

(In \$1,000,000)

	Export	Import	Balance
1953 Yearly Total.	1,275	2,410	△1,135
Jan.-June ..	604	1,161	△ 557
July-Dec. ..	670	1,248	△ 578
1954 Yearly Total.	1,629	2,399	△ 770
Jan.-June ..	720	1,412	△ 692
July-Dec. ..	910	988	△ 78
1955 Yearly Total.	2,010	2,476	△ 466
Jan.-June ..	892	1,222	△ 330
July-Dec. ..	1,118	1,254	△ 136

△ for import balance.

Garments registered the most conspicuous export growth, (190% of 1954 in value), non-ferrous metals, the second largest, (159%), iron and steel (155%), spun rayon cloth (155%), metal manufactures (149%), and ships (139%). But there were some losers: textile machinery (59% of 1954's total), tea (72%), cotton cloth (91%), and rayon yarn (92%).

Thus, notable changes took place in the 1955 ranking of export commodities. Iron and steel (1,990,000 mt., \$260 million), the first, accounted for 12.9% of the grand total, cotton cloth, 11.4% (1,137,000,000 sq. yds., \$230 million), garments, 5.3% (\$107 million), and spun rayon cloth fourth 4.1% (\$82 million), followed by ships, fish and shellfish, and non-ferrous metals.

In import trade, food grain purchases decreased: rice was off 21% from 1954, and barley off 22%. This was because of the local bumper crops of rice and other grains in 1955 after the failure of 1954 harvests. On the other hand, stimulated by the business pickup, industrial materials were bought actively with the exception of cotton and rayon pulp. For instance, scrap iron increased by 50%, iron ore by 23%, and non-ferrous metal ores by 33%, for iron and steel had the sharpest gain in export. Visible gains also occurred in crude rubber (72%), soybeans (47%), and salt (34%). With the completion of the present industrial rejuvenation machinery purchases were off 23%. Passenger car imports also dropped by 64%. Imports in 1955 in value were in the following order: cotton, \$383 million, (15.5%

of the total); petroleum, \$227 million (9.2%); rice, \$198 million (8%); wheat, \$167 million (6.8%); wool; sugar; and soybeans.

\$500 Million Receipt Excess

In December foreign exchange receipts totalled \$269 million, and payments \$208 million, favorably balancing at \$61 million. Receipts from exports accounted for \$198 million, a tangible gain of \$23 million over a month ago, and the largest postwar record. Payments for imports rose by \$22 million to \$177 million. "Real imports", including those for which payments were postponed through usance bills and surplus farm produce purchases from the United States, added up to \$204 million, the biggest monthly buying since May, 1954.

The yearly total of receipts in 1954 was \$2,668 million and of payments \$2,174 million, favorably balancing at \$494 million (up \$394 million from 1954). One reason for the improved payments position was the postponement of payments through usance bills. The favorable balance in the strict sense of the term, exclusive of the increase of payments thus postponed, was \$326 million compared with 1954's real red balance of \$20 million. Japan's international accounts balance appreciably improved in the past year clearly reflects the large expansion in export.

Receipts from exports increased by 27% to \$1,954 million, the postwar record. Of this total, the Dollar Area represented \$759 million, and the Sterling Area \$729 million, increasing over 1954 by \$272 and

\$221 million, respectively. The Open Account Area, on the other hand, witnessed a decline of \$72 million. Classified by export item, notable gains were seen in iron and steel ships, and textile goods.

Payments for imports aggregated \$1,848 million, off \$114 million from a year ago. Inclusive of the deferred payments and surplus farm produce buying from the United States, "real" purchases summed up to \$2,087 million, exceeding 1954's. Classified by item, bigger payments were made for scrap iron, iron ore, petroleum, wool, soybeans, and crude rubber. Payments shrank by \$118 million for food grains. Cotton buying also slipped by \$83 million. Notable was the marked switchover of purchases from the Dollar to the Sterling Area countries.

Revamping of OA System Studied

In her improved payments position, Japan's foreign exchange holdings reached \$1,310 million (\$800 million in U.S. dollar, \$265 million in the British currency, and \$244 million in the Open Account credits) at the end of 1955. The figure was \$25 million less than \$1,335 million outstanding a month ago. This shrinkage, however, was due to the refunding of \$62.5 million in pound Sterling to the International Monetary Fund. Japan's foreign fund holdings expanded by \$37.5 million in December, 1955.

The Open Account credits should not be taken at face value, for they include a sizeable amount of export balances against

2. MAJOR EXPORTS IN 1955

(In \$1,000 for value, unit for quantity in brackets)

	Quantity	Value	% of 1954's Total	
			Quantity	Value
Foods & Drinks		136,128		101.1
Fish & shellfish (mt.)	155,324	75,664	110.4	101.7
Tea (1,000 lbs.)	31,946	9,747	84.4	71.9
Textiles & Manufactures Thereof		749,017		114.0
Raw Silk (bales)	86,682	50,022	113.7	136.7
Cotton yarn (1,000 lbs.)	26,202	24,300	88.7	103.0
Rayon yarn (1,000 lbs.)	18,137	9,011	104.5	92.1
Spun rayon yarn (1,000 lbs.)	39,167	16,353	114.2	101.4
Cotton cloth (1,000 sq. yds.)	1,136,931	229,925	89.0	91.1
Rayon cloth (1,000 sq. yds.)	337,126	60,283	127.8	121.6
Spun rayon cloth (1,000 sq. yds.)	521,619	82,367	172.4	155.0
Garments		106,503		190.2
Pharmaceuticals & Chemicals		93,583		118.6
Chemical fertilizers (mt.)	756,041	41,428	105.8	112.0
Non-metallic Mineral Products		85,092		123.0
Cement (mt.)	1,208,674	22,553	138.6	118.5
Chinaware		41,961		120.4
Metals & Manufactures Thereof		385,822		154.4
Iron & Steel (mt.)	1,991,322	259,528	167.8	155.2
Non-ferrous metals (mt.)	77,232	66,564	138.8	159.2
Metal manufactures		60,642		148.7
Machinery		246,856		122.0
Textile machinery & parts		26,633		58.5
Sewing machines (units)	1,535,647	34,769	126.4	123.4
Ships (no.)	349	78,186	75.5	138.5
Others		313,694		132.2
Timber (cu. m.)	437,842	28,867	124.3	137.3
Toys (mt.)	47,366	42,494	143.4	135.5
Grand Total		2,010,192		123.4

Indonesia, Korea and Argentina who remain in arrears. The export balance arrears as of December 20, 1955, totalled \$442 million (estimated to rise to \$897 million in the future) against Argentina, \$177 million (est. to decrease to \$150 million) against Indonesia, and \$472 million (est. decline to \$440 million) against Korea. There is little hope for recovering them. The accumulation of such dead loans is greatly detrimental to the national economy. Criticisms especially by Finance Ministry authorities are leveled at the Open Account System. They argue that it is a special institution adopted under Allied occupation for dearth of foreign funds, and that it should be abolished or curtailed as the payments position has markedly turned for the better. Their argument, however, is apparently too much absorbed in foreign exchange to pay due attention to the whole trade policy, in the opinion of cautious MITI authorities.

But MITI authorities are cudgeling their brains about how to recover the piled-up OA export balance arrears. As one of the counter-measures, a section of MITI quarters is considering the feasibility of distinguishing these OA credits from the U.S. dollar funds and thereby devaluating them in view of the prevailing conditions.

Free Foreign Funds for Traders

The recent growth of foreign exchange holdings is affording a basis upon which restrictions on trader's holdings of foreign exchange can be relaxed. An agreement of opinion was reached between Finance Ministry and MITI in mid-January, 1955, concerning the following steps:

1) Foreign funds obtained by trading companies from their export business shall be concentrated, as heretofore, in the Foreign Exchange Special Account. But trading firms may be allowed to buy foreign funds from this Special Account by their own yen money. The foreign funds thus purchased shall be deposited with authorized foreign exchange banks.

2) The grand total of such foreign funds and the upper limit within which each firm may be allowed to hold such funds shall be fixed by the Government, and these shall be revised duly as conditions demand.

3) No special restriction shall be imposed upon the use of foreign funds in the hands of traders. Thus, these funds may be used not only as expenses of overseas branches but also as general operating funds for settlement of export and import accounts between head offices at home and overseas agencies, etc.

But not all the trading firms can enjoy this privilege, and only about 20 leading

companies will be allowed to hold free foreign funds. The grand total of such funds is likely to be set at not more than \$6.5 million during the January-March quarter of fiscal 1955 and at \$15 million

in the first half (April-September) of the coming fiscal year. These are not big amounts, but this system will mark a long step toward softening the strict exchange control in the past.

3. MAJOR IMPORTS IN 1955

(In \$1,000 for value, unit for quantity in brackets)

	Quantity	Value	% of 1954's Total	
			Quantity	Value
Foods & Drinks		627,875		96.0
Rice (mt.)	1,252,459	197,683	87.4	78.8
Barley (mt.)	576,442	39,847	75.5	78.0
Wheat (mt.)	2,287,153	167,425	104.6	99.6
Sugar (mt.)	1,070,327	115,778	105.6	107.3
Textile Materials		601,650		94.2
Rayon pulp (mt.)	78,161	16,294	78.5	79.6
Wool (1,000 lbs.)	205,391	164,453	131.6	111.8
Cotton (1,000 lbs.)	1,091,058	383,050	91.7	88.6
Vegetable & Bast Fibres (1,000 lbs.)	178,028	21,722	118.6	111.3
Metal Ores & Metals		185,492		108.4
Iron Ore (mt.)	5,450,617	81,292	108.9	122.7
Scrap Iron (mt.)	2,284,139	63,586	233.5	144.9
Non-ferrous Ores (mt.)	1,020,536	33,494	146.4	133.0
Non-metallic Minerals		102,447		122.9
Rock Phosphate (mt.)	1,637,154	33,542	118.1	136.9
Potash (mt.)	712,469	32,139	108.0	110.5
Salt (mt.)	2,009,200	21,444	115.2	133.6
Mineral Fuels		288,394		107.9
Coal (mt.)	2,861,366	56,203	79.3	89.1
Petroleum (kl.)	12,111,930	226,914	116.1	113.9
Other Materials		335,014		143.8
Hides & skins (mt.)	63,602	22,561	135.6	113.9
Soybeans (mt.)	809,920	97,981	159.5	147.4
Crude rubber (mt.)	87,646	66,256	107.6	172.2
Timber (cu. m.)	2,056,155	61,608	110.0	128.2
Pharmaceuticals & Chemicals		80,033		125.3
Machinery		136,222		76.9
Passenger Cars (units)	5,249	6,464	35.0	85.6
Others		119,154		106.9
Grand Total		2,476,281		103.2

Source: Finance Ministry for Tables 1, 2, & 3.

4. FOREIGN EXCHANGE IN 1955

(In \$1,000,000, figures in brackets denoting gain or loss compared with 1954)

	Total	U.S. & Canadian Dollars, Swiss Franc	Sterling & German Mark	Open Account
Receipts	2,668 (358)	1,416 (218)	764 (218)	488 (↔78)
Export trade	1,954 (421)	759 (272)	729 (221)	466 (↔72)
Invisible trade	714 (↔ 63)	657 (↔ 54)	35 (↔ 3)	22 (↔ 6)
Payments	2,174 (↔ 36)	1,056 (↔ 234)	645 (224)	473 (↔26)
Import trade	1,848 (↔ 114)	872 (↔ 258)	533 (181)	443 (↔37)
Invisible trade	326 (78)	184 (24)	112 (43)	30 (11)
Balance*	494 (394)	360 (↔452)	119 (↔ 6)	15 (↔52)
Commodity trade	106 (↔535)	△113 (↔530)	196 (40)	23 (↔35)
Invisible trade	388 (↔ 141)	473 (↔ 78)	△ 77 (↔△ 46)	△ 8 (↔17)
Deferred Payments				
Balance Gain or Loss** ..	169 (49)	65 (7)	102 (40)	2 (2)
Net Balance	325 (↔345)	295 (↔445)	17 (↔ 46)	13 (↔54)

* Figures marked with △ indicate the unfavorable balances; others, the favorable balance. ↔△ for the gain of the unfavorable balance, and ↔△ for the decrease of the unfavorable balance, ** Figures for this item denote the provisional estimates for the gain or loss of payments postponed through usance bills and other media.

5. 1955 EXPORTS & IMPORTS BY SETTLEMENT AREA

(In \$1,000,000, figures in brackets denoting gain or loss compared with 1954)

Commodity	Total	U.S. & Canadian Dollars, Swiss Franc	Sterling & German Mark	Open Account
Exports				
Foods & Drinks	136 (0)	72 (2)	44 (3)	20 (↔ 5)
Textile Mfs.	722 (73)	259 (76)	345 (69)	118 (↔72)
Metals & Mfs. Thereof	387 (141)	78 (47)	141 (86)	168 (8)
Machinery	270 (102)	131 (86)	72 (25)	67 (↔ 9)
Others	439 (105)	219 (61)	127 (38)	93 (6)
Total	1,954 (121)	759 (272)	729 (221)	466 (↔72)
Imports				
Foodstuffs	524 (↔101)	239 (↔112)	120 (32)	165 (↔21)
Textile Materials	492 (↔ 34)	226 (↔ 76)	201 (74)	65 (↔32)
Petroleum, Oils, Fats & Waxes ..	214 (49)	123 (↔ 7)	57 (42)	34 (14)
Metallic Minerals	127 (↔ 28)	54 (↔ 33)	42 (1)	31 (4)
Others	491 (↔ 0)	230 (↔ 30)	113 (32)	148 (↔ 2)
Total	1,848 (↔114)	872 (↔258)	533 (181)	443 (↔37)

Source: Bank of Japan for Tables 4. & 5.

Investment Outlook

Fertilizer Shares

Ammonium Sulphate:—Fertilizer shares are one of the groups of industrials which came into the limelight in the depth of deflation because of their more stable profitability. Among fertilizer stocks, ammonium sulphate shares are particularly outstanding as they carry comfortable profit yields such as Showa Denko (with the profit yield at 6.4%), Toyo Koatsu (6.5%) and Nitto Kagaku (7.3%). The position of their profit yields well equals that of other favorite industrials. The only other fertilizer vying with ammonium sulphate is calcium cyanamide with Denki Kagaku (the profit yield at 7.6%) and Nippon Carbide (5.8%) leading. The spectacular rise of ammonium sulphate shares as a leading favorite of investors is due to the greater stability of the earning power of this fertilizer as compared with other fertilizers like calcium cyanamide and superphosphate of lime. One of the proofs in this connection is the high percentage of assets reappraisal profits incorporated into capital by ammonium sulphate manufacturing companies. Of the 10 ammonium sulphate manufacturers whose shares are listed with the Tokyo Securities Exchange, nine companies (excepting Tohoku Fertilizer) have already enforced such extra profit incorporation into capital and have distributed certain portions to stockholders in the form of share dividends. Even Tohoku Fertilizer is understood ready to increase capital partially through stock dividends while other nine ammonium sulphate companies are apparently planning

to make second share dividends in the near future. For all the merits in existence, however, it appears still problematic whether ammonium sulphate firms will be able to incorporate 30% of their reappraisal reserves into capital by the date legally fixed. In view of the character of the fertilizer industry as a semi-public utility undertaking, any excessively liberal share dividends are difficult and the maximum dividend is restricted to around 15%. After the possible capital expansions in the future, therefore, they will adhere to the present dividend rates at best and some of them may be forced to cut dividends. Hence, the highest interest yield of the dividend-giving concerns will not be better than 9%, lower than the average of 9.8% of the soda companies, and only 0.7% higher than the present average of 8.3%. Thus, there is every possibility that the present popularity may shift from ammonium sulphate to soda shares sooner or later. The attraction of fertilizer shares, however, does not depend entirely on the specific fertilizers alone, as most fertilizer firms engage in many and various sidelines. Hence, ammonium sulphate firms still hold a big promise as they are more fit for multilateral management than other fertilizer firms.

Profit-Yielding Nissan & Shin-Chisso:—Ammonium sulphate excels other artificial fertilizers in that it enjoys a dual advantage—active exports and energetic domestic demand. In the sphere of multilateral management, Toyo Koatsu Industries, Inc.,

a pioneer in the production of urea, is in the lead. Toyo Koatsu shares are extremely popular and their prices remain at the top in the price list of manure stocks. The expected interest yield of Toyo Koatsu shares (after the prospective capital expansion—50% payable—in early 1956) will stand at 8.3% as compared with the present 6.5%. Thus, another round of selective buying appears in store for Toyo Koatsu shares. Nitto Chemical Industry and Showa Denko have also come into the limelight on the stock market in recent months with the former giving a better yield. Of other ammonium sulphate firms taking to new sideline fields, Nissan Chemical Industries and Shin Nippon Chisso Hiryo (New Japan Nitrogenous Fertilizers) are outstanding with the expected interest yield due to exceed 10%. Nissan Chemical, which did not make any good showing for the term ending November, 1955 as the term marked the post-rationalization transitional period, is expected to make a good recovery in and after the present term due to the completion of a urea production increase project and a heavy oil gasification plant. Shin Nippon Chisso is also expected to fare better as it has industrialized ammonium sulphate and ammonium phosphate production and its organic-synthetic chemical products, such as acetate vinyl, have begun to yield better earnings. The shares of these two firms, therefore, will become the marks of investors sooner or later, although their present yields are comparatively low. Sumitomo Chemical which doubled capital in November last year and Ube Industries which also increased capital in February this year do not promise

1. YIELDS OF LEADING FERTILIZER SHARES

Shares of	Capital (¥1,000)	*Reappraisal incorporation (%)	Prospective capital increases (%)			Expected dividend (%)	Share Prices (Yen)		Expected yield (%)	Present dividend (%)	Present yield (%)
			** (A)	*** (B)	Total		Current	Ex rights			
Toyo Koatsu.....	1,800,000	29	2	3	5	18	154	109	8.3	20	6.5
Nitto Chemical	2,000,000	11	4	1	5	15	103	82	9.1	15	7.3
Showa Denko	2,200,000	53	4	1	5	15	118	92	8.2	15	6.4
Sumitomo Chemical	4,000,000	38	—	—	—	15	108	108	6.9	20	9.3
Ube Industries	4,200,000	19	—	—	—	16	105	105	7.6	20	9.5
Nissan Chemical	2,000,000	14	4	1	5	15	87	71	10.6	15	8.6
Shin Nippon Chisso	1,200,000	38	4	1	5	15	92	75	10.0	15	8.2
Toa Gosei.....	1,200,000	13	4	1	5	16	149	113	7.1	25	8.4
Nippon Suiso	510,000	42	4	1	5	15	90	73	10.2	20	11.1
Tohoku Fertilizer	240,000	12.1	8	2	10	15	85	63	10.7	15	8.8
Electro-Chemical	1,020,000	69	4	1	5	15	132	101	7.4	20	7.6
Shin-etsu Chemical	480,000	32	—	—	—	15	87	87	8.6	15	8.6
Nippon Carbide	340,000	35	10	—	10	15	86	68	11.0	10	5.8
Ibigawa Electric	480,000	95	—	—	—	15	86	86	8.7	15	8.7
Konoshima Chemical	640,000	9	—	—	—	15	73	73	10.3	15	10.3
Nitto Ryuso	200,000	15	—	—	—	15	82	82	9.3	20	12.2
Kureha Chemical.....	200,000	24	—	—	—	15	87	87	8.6	15	8.6
Rasa Industry	250,000	10.6	4	1	5	15	90	73	10.2	15	8.3
Ishihara M. & C.	1,635,000	19	—	—	—	12	62	62	9.7	12	9.7
Niigata Sulphuric Acid	200,000	3	—	—	—	—	56	56	—	10	8.9
Taki Fertilizer	400,000	7	—	—	—	17	104	104	8.2	22	10.5
Total (21 firms)	24,995,000	32	20	6	26	15	97	85	8.6	17	8.3
Total (Dividend-giving firms)	24,995,000	32	20	6	26	15	97	89	9.0	17	8.3

* Percentage of assets reappraisal reserves to be incorporated into capital. ** Payable. *** Given as share dividends.

high yields as their dividends are likely to be cut following the second capital expansions under consideration, although such dividend cuts are not due to come during the first half of this year. As far as the yield alone is concerned, Tohoku Hiryo (Fertilizer) is apparently a good buy, but its immediate future is not particularly encouraging in view of the delay of its recovery.

Aside from ammonium sulphate, calcium cyanamide is going strong with Electro-Chemical Industrial and Nippon Carbide Industries leading. To investors, the latter appears more attractive due to strong possibilities of capital and dividend increases. Nippon Carbide is expected to

boost its dividend rate to 15% at the close of the current term (ending May, 1956) in preparation for capital expansion. With domestic demands for carbide on the hike, especially in shipbuilding circles, it will be able to continue a 15% dividend even after the proposed capital expansion, promising a 11% yield for investors. Of all chemical fertilizers, superphosphate of lime is most depressed, as imported phosphate rock has been costing more due to the elevation of freight charges while the prices of the products have been officially restricted. Rationalization has been extremely slow at most factories specializing in this fertilizer.

Shipbuilding Shares

Larger Capital:—On the spur of the latest ship export boom, more shipbuilding companies appear ready to expand capital. As shown in Table 2, of the 11 leading shipbuilders, eight are understood drafting capital increase projects during 1956. Of the remaining three (Shin-Mitsubishi Jukogyo, Mitsubishi-Japan Heavy Industries and Uruga Dock), the last-named has already announced its project to double capital (with 30% in the form of share dividends). Through the new capital increases, the shipbuilders aim at inviting investments in new equipments (including the expansion of stocks), raising additional operating funds and thereby rectifying the capital composition.

Of the shipbuilding companies whose shares are listed with the Tokyo Securities Exchange, only Mitsui Shipbuilding and Engineering is giving a 16% dividend while the dividends of other firms do not even reach 15%. Hence, they are not legally required to incorporate 30% of the assets reappraisal profits into capital. However, Uruga Dock recently announced to give 30% share dividends in its capital doubling project while others are also expected to give more than 20% share dividends in their capital increases. At the present estimate, therefore, the eight lead-

ing shipbuilding companies will incorporate more than ¥3,300 million out of their assets reappraisal reserves into capital expansions at the rate of 32% in the portions to be increased.

Mitsubishi & Ishikawajima:—According to the present projects so far made known, 1) Mitsubishi Shipbuilding and Engineering, Ishikawajima Heavy Industries and Mitsui Shipbuilding and Engineering are expected to double capital; 2) Kawasaki Dockyard and Hitachi Shipbuilding and Engineering will expand capital by 50%; and 3) Harima Shipbuilding and Engineering and Uruga Dock, the two firms which are now passing dividends, will also double capital. Mitsui Shipbuilding and Engineering is legally required by the capital replenishment law to announce its capital expansion plan by the end of 1956 at the latest. By that time, the portion of the assets reappraisal reserve to be incorporated into capital will grow to 52%. Hence, its capital expansion will carry 50% share dividends. Ishikawajima Heavy Industries will also double capital to finance its advance into jet engine production. The jet engine production plan, however, has not taken any concrete shape so far and details of Ishikawajima's capi-

tal increase plan have not been made definite. Under the present plan, the capital increase will come in the autumn of 1956 with 20% share dividends. Mitsubishi Shipbuilding and Engineering will expand capital to rectify its capital composition with the project due to take place during the first half of 1956. Considering the volume of orders and the production scale, Mitsubishi's capital is too small and the early expansion is deemed inevitable despite the opposition in certain circles.

Harima, Hakodate & Fujinagata:—There will be little difficulty in the way of capital expansion projects of other two leading shipbuilders, Kawasaki Heavy Industries and Hitachi Shipbuilding and Engineering, which are also giving dividends. The path is not so clear, however, for the three firms now passing dividends (Harima Shipbuilding and Engineering, Hakodate Dock and Fujinagata Shipbuilding) as it appears still difficult for them to revive dividends in the current term as a prerequisite to capital expansion. Whether they will, like Uruga Dock, boost capital with 30% share dividends while passing dividends remains to be seen. It appears particularly urgent for Hakodate and Fujinagata to get their capital increased, but the 30% share dividends will make their actual receipts extremely small. According to present indications, it appears probable that the three companies will double capital with 20% share dividends inclusive on condition that they revive 10% dividends from the new term.

With all circumstances surrounding respective capital expansion projects taken into full consideration, Mitsubishi Shipbuilding and Engineering, Ishikawajima Heavy Industries and Mitsui Shipbuilding and Engineering will be attractive to steady investors, and Kawasaki Heavy Industries and Hitachi Shipbuilding and Engineering will be the choices for fair yields while Harima Shipbuilding and Engineering and Hakodate Dock will be good for speculative buying.

2. YIELDS OF LEADING SHIPBUILDING SHARES

Shares of	Capital (¥1,000)	*Reappraisal incorpora- tion (%)	Prospective capital increase (%)			Expected dividend (%)	Share Prices (Yen)		Expected yield (%)	Present dividend (%)	Present yield (%)
			** (A)	*** (B)	Total		Current	Ex. rights			
Shin Mitsubishi J.	5,600,000	40	—	—	—	12	84	84	7.1	12	7.1
Kawasaki H. Industries	3,360,000	14	3	2	5	12	66	54	11.1	12	9.1
Hitachi S. & E.	3,160,000	22	2	3	5	10	70	53	9.4	10	7.1
Mitsubishi-Nippon H. I.	3,000,000	27	—	—	—	12	69	69	8.7	12	8.7
Mitsubishi S. & E.	2,800,000	41	8	2	10	12	105	73	8.2	12	5.7
Ishikawajima H. I.	1,300,000	34	8	2	10	12	100	70	8.6	12	6.0
Mitsui S. & E.	1,120,000	52	5	5	10	12	135	80	7.5	16	5.9
Uruga Dock	2,000,000	—	—	—	—	10	70	53	9.4	—	—
Harima S. & E.	1,000,000	37	8	2	10	10	67	53	9.4	—	—
Hakodate Dock	270,000	93	8	2	10	10	57	49	10.2	—	—
Fujinagata S. & E.	260,000	13.6	8	2	10	10	59	50	10.0	—	—
Total (11 firms)	23,870,000	31	28	14	42	11.1	80	63	9.1	78	4.5
Total (Dividend-giving firms)	20,340,000	31	27	15	42	11.7	90	79	8.7	12.3	7.1

* Percentage of assets reappraisal reserves to be incorporated into capital. ** Payable. *** Given as share dividends.

Book Review

Nippon Jinko Zuzetsu (*Graphical Exposition on Japan's Population*) (In Japanese) by Ayanori Okazaki pp. 170 ¥300
 Toyokeizai Shinpo-sha, Nihonbashi, Tokyo. 1955

This book has gathered together a broad range of basic information indispensable to those interested in the population problem of Japan. Virtually all statistical material on Japanese population is collected by government agencies. Moreover, such surveys are not coordinated but carried on individually by the various ministries. Since these results are published separately, it is a job of considerable magnitude to put the material together in a composite population study. It is also difficult sometimes for an outsider to obtain some of this information.

Mr. Okazaki, on the other hand, is in an excellent position to correlate information on this subject in his job as director of the Institute for Population problems of the Welfare Ministry. In his study, the author has competently brought to the reader not only the information available in his agency but also outside material used by the Institute.

The apparent aim of the volume is to collect basic information on the population problem. It contains 128 statistical tables and 41 charts. The explanations accompanying each chart and table are far too simplified to be more than superficial descriptions and do not provide a real analysis of the significance of what is presented. The value of the book, therefore, lies entirely in its systematic presentation of basic statistics rather than in any evaluation or theoretical interpretation of the figures as related to the overall population problem.

The book is divided into 14 chapters: Population and its Structure, Population Movement and Future Population, Births, Stillbirths, Birth Control, Birth Rate, Deaths, Life Table, Marriage, Health Insurance, Hygiene, Social Insurance, Social Welfare, and Living Standard of Population, and the tables and charts are classified accordingly.

Admittedly, this book has brought together extensive material on the important factors that determine growth of population and the rate of growth. But it does not put sufficient emphasis on the issues that are especially important in Japan's population problem. The question of over-population might have been treated in more detail as one of the dominant problems in Japan today.

In a large sense, the present population problem in Japan is an economic one. The question of over-population is an intrinsic part of the employment problem. In this book, there is not enough data to place the population problem in its proper economic context.

For example, there is no material on population density in Mr. Okazaki's book. Ideally, there should also have been a good deal more information regarding unpaid family workers a direct result of over-population. More material could have been included concerning the growth of population in terms of productive ages—a question having the greatest bearing on future employment (and, therefore, unemployment) levels and therefore one of the vital problems Japan faces in the future.

An analysis of population and its effect on employment is prerequisite to a discussion of the standard of living. Without taking this necessary step, however, Mr. Okazaki goes directly into questions of social insurance and consumer. Thus a wide gap remains between the population problem and the nation's economic life, and the reader finds no attempt

to correlate the two.

(Ryokichi Minobe)

"Japanese Dolls" (*Tourist Library Vol. 17*)
 by Tokubei Yamada. Published by Japan Travel Bureau, Tokyo,
 190 pp. 133 photos including six in color.....¥450

Scholarship rarely goes hand in hand with business acumen. An exception to the rule is found in Mr. Tokubei Yamada, author of this book. A recognized authority on Japanese dolls, he has written several books on his favorite subject in Japanese—and at the same time he runs a hereditary doll shop in Tokyo where native dolls are made and sold.

No wonder that many of his works have found their way into homes both at home and abroad, where they have often been labeled "Symbols of Friendship" or "Peace Ambassadors."

In Japan, as elsewhere in the world, there is a big variety of dolls ranging from simple folk dolls to the most elaborate ones. A quarter of a century ago Mr. Yamada succeeded in raising dollmaking to the dignity of an art. Japanese art dolls have since been distinguished from those mass-produced for children.

In the book under review the author first gives an outline of the history of Japanese dolls from the earliest times to date, then describes various dolls used for children's festivals and the puppet play, and finally tells about the practical process of making the artistic dolls that are peculiar to Japan.

To the reader whose knowledge of Japanese dolls is more or less limited to, say, those representing geisha girls, the description and illustrations of the modern type in the latter part of the book will prove a revelation. (Katsuji Yabuki)

The National Income of Hong Kong 1947-1950

by Ronald A. Ma and Edward F. Szczepanik pp. 69.
 Hong Kong Price HK\$10.00 elsewhere 12/6 net; U.S.A.
 and Canada US\$1.80, postpaid. August, 1955
 Hong Kong University Press

As never before Hong Kong now draws the world's attention as a key post by the Chinese mainland. The growing interest in the area urges the necessity for relevant publications commensurate with its importance.

The first published study of the National Income of Hong Kong, this is another valuable contribution in the field of contemporary National Income researches of British Colonial areas such as F. C. Benham's *The National Income of Malaya, 1947-49* and N. M. Siffleet's *The National Income and the National Accounts of Barbados*.

With due reservations as to the experimental and tentative nature of this pioneer work, the reader will find it a source of considerable light on many of the problems in the entrepôt economy of this Crown Colony, a pivotal position in Far Eastern trade and development.

The book not only includes such basic statistical data as the total value of the social income, its rate of growth, composition and the pattern of distribution, but also presents the estimates of the national income per head and per household, the burden of taxation, the effect of the influx of refugees on the level of earnings, the rate of capital formation, etc.

Among 60 tables and four graphs included, *National income per head in the Far East in 1949/1950* in page 15 shows that Hong Kong (US\$200) tops all others, Malaya (162), the Philippines (144), Ceylon (109), Thailand (104), Japan (99), South Korea (88), India (71), Pakistan (67), Indonesia (57), Burma (43), Taiwan (38), and China (35). (Masamichi Kano)

1. Business Indices

Year & Month	Bank of Japan Account (1) (In million yen)			Postal Savings (2) (In million yen)	Monthly Report of All Banks (1) (In million yen)		Tokyo Stock Prices (3)			
	Note issues	Loans	National Bond Holdings		Deposits	Advances	Dow Jones	Simple Arithmetic Mean	Turnovers (In million issues)	Interest Yield (%)
1947	137,560	43,906	81,838	51,452	168,572	136,848	—	—	60,000	—
1948	241,510	54,238	187,157	59,573	326,417	246,159	—	—	142,000	—
1949	306,012	77,792	182,339	92,694	136,855	494,431	149.95	128.66	255,934	6.89
1950	321,873	123,251	143,683	134,232	893,077	820,526	101.87	74.01	512,110	9.56
1951	405,318	179,502	117,883	168,284	1,274,448	1,241,180	136.10	93.80	821,259	11.73
1952	453,294	241,134	143,472	219,361	1,816,619	1,808,130	245.67	124.08	2,002,637	10.33
1953	508,276	307,490	190,336	288,953	2,371,556	2,391,795	390.90	156.05	2,091,539	7.55
1954	519,697	365,477	250,447	377,907	2,749,568	2,830,895	340.79	110.94	1,238,495	9.49
1954										
July	524,001	394,849	199,244	386,898	2,682,986	2,728,707	340.65	110.17	112,452	9.81
August	521,724	406,279	193,934	394,464	2,715,272	2,750,823	339.28	107.33	91,671	9.52
September	515,346	389,845	200,379	400,241	2,825,818	2,785,488	352.76	110.59	109,187	9.48
October	529,814	356,769	288,562	408,878	2,789,463	2,807,740	340.50	104.91	88,738	10.35
November	542,137	298,945	378,177	413,451	3,036,687	2,835,702	324.51	97.74	89,334	9.74
December	622,061	243,374	483,573	422,881	2,884,513	2,911,968	337.14	101.50	131,267	8.87
1955										
January	561,410	236,793	441,003	445,709	3,001,309	2,893,523	370.74	110.40	213,101	8.47
February	546,922	262,094	399,133	449,897	3,024,696	2,908,920	374.82	110.50	215,731	8.38
March	530,703	252,131	432,238	445,253	3,161,431	2,926,600	354.69	99.94	117,061	8.79
April	550,533	205,154	429,798	444,624	3,139,498	2,923,782	351.39	97.00	99,146	8.86
May	522,201	204,974	408,378	450,358	3,195,634	2,937,268	349.83	96.49	104,623	8.49
June	532,674	211,814	374,112	457,480	3,218,722	2,959,475	354.47	102.22	142,147	8.35
July	537,881	184,426	384,445	472,007	3,257,274	2,986,291	355.56	105.29	145,212	8.02
August	540,848	164,416	413,333	476,731	3,304,048	2,999,230	377.48	111.85	261,722	7.52
September	529,846	143,456	393,214	479,439	3,462,719	3,030,147	386.16	113.88	220,764	7.60
October	549,348	83,091	461,140	487,648	3,425,794	3,036,057	401.47	116.60	314,075	7.15
November	559,346	64,233	448,116	489,146	3,529,491	3,084,806	401.53	116.46	290,766	7.35
December	673,890	31,978	553,659	..	..	..	409.81	117.41	△ 383,721	6.92
Ag. Previous Month	↗ 20.5	↗ 50.2	↗ 23.6	↗ 0.3	↗ 3.0	↗ 1.6	↗ 2.1	↗ 0.8	↗ 32.0	↗ 5.9
Ag. Corr. Month in 1954	↗ 8.3	↗ 86.9	↗ 14.5	↗ 18.3	↗ 22.3	↗ 8.7	↗ 21.6	↗ 15.7	↗ 192.3	↗ 22.0
Year & Month	Tokyo Wholesale Prices (1) Total Average		Tokyo Retail Prices (1) 1914=100	Export & Import Price Indices (1) (1949-1950=100)		Cost of Living Tokyo (4) (Oct., 1946=100)	Consumer Prices (4) (1951=100)		Average Monthly Expenditure Per Household (5)	
	1952=100	1934-1936=100		Exports	Imports		Tokyo	All Cities	All Cities	Tokyo
1947 av.	—	4,815.2	7,811.5	—	—	236.1	42.7	38.2	4,684	5,469
1948 "	—	12,792.6	22,912.6	—	—	472.9	74.0	69.9	8,780	10,606
1949 "	—	20,876.4	37,283.7	—	—	607.9	92.7	92.2	11,885	14,092
1950 "	—	24,680.7	36,628.7	115.6	107.8	541.1	86.1	85.9	11,980	14,134
1951 "	—	34,253.1	47,411.9	165.5	136.3	637.4	100.0	100.0	14,410	16,138
1952 "	100.0	34,921.5	46,138.0	134.9	122.1	681.9	104.2	105.0	17,862	19,741
1953 "	100.4	35,157.3	47,446.1	127.9	110.1	782.1	112.0	111.9	22,113	25,133
1954 "	99.7	34,926.7	50,400.9	123.0	105.7	850.2	118.1	119.1	22,678	26,517
1955										
January	98.4	34,474.1	50,570.0	120.4	108.0	851.7	116.7	118.7	20,749	24,095
February	98.9	34,649.3	50,921.3	122.0	107.6	859.5	117.0	119.0	19,518	22,808
March	99.2	34,754.4	50,562.4	123.6	106.9	857.1	116.4	118.4	22,576	26,714
April	98.3	34,439.1	50,310.4	124.5	106.1	865.0	118.2	119.1	22,475	26,431
May	97.5	34,158.8	49,838.5	123.3	106.8	861.9	117.0	118.2	22,200	25,800
June	96.7	33,878.6	49,429.3	122.4	106.1	865.0	116.2	117.6	21,965	26,349
July	97.0	34,983.7	48,245.6	123.4	107.2	847.7	115.1	117.0	23,490	30,351
August	97.5	34,158.8	48,502.2	124.0	107.4	833.6	116.3	117.8	22,401	25,256
September	97.7	34,228.9	48,555.1	123.8	105.6	832.9	115.6	117.4	21,905	25,910
October	△ 98.0	34,334.0	48,382.9	123.3	104.9	829.7	117.5	119.0	23,233	27,641
November	97.8	34,263.9	48,053.6	125.4	106.2	832.1	115.5	115.9	..	..
December	97.9	34,299.0	48,262.6	..	..	832.9	..	..	..	..
1956										
January .....	..	..	..	..	..	839.1	..	..	..	..
Ag. Previous Month	↗ 0.1	↗ 0.1	↗ 0.4	↗ 1.7	↗ 1.2	↗ 1.1	↗ 0.1	↗ 2.6	↗ 6.1	↗ 6.7
Ag. Corr. Month in 1954	↗ 0.2	↗ 0.2	↗ 3.7	↗ 5.4	↗ 2.8	↗ 1.5	↗ 1.0	↗ 2.0	↗ 1.9	↗ 2.6

Sources: (1) Bank of Japan.
(2) Ministry of Postal Services.
(3) Tokyo Securities Exchange.
(4) The Oriental Economist.
(5) Statistics Bureau, Prime Minister's Office.

Notes: △ Provisional figures.
▲ Revised at source.

2. Business Indices

Year & Month	Consumption Level (1) (1934=100)			Manufacturing Industry Wages (2)		Employ- ment Indices for Mfg. Industries (2)	No. of Employed (In 10,000) (3)	No. of Un- employed (In 10,000) (3)	E.P.B. Indices (1934-6=100) (2)			
	Total	Urban	Non- Urban	Nomi- nal	Real				Business Activity Indices	Mining Manu- fac- turing	Manufacturing	
											Dur- able	Non- durable
1947.....	—	55.4	—	1,580	30.2	100.0	..	..	46.2	37.4	44.9	26.6
1948.....	—	61.2	—	4,381	48.6	101.0	3,460	24	61.8	54.6	74.7	35.1
1949.....	—	56.0	—	7,516	68.3	102.4	3,606	38	76.7	71.0	99.8	47.0
1950.....	79.3	69.8	93.5	9,135	85.4	97.1	3,572	44	88.0	83.6	110.0	66.7
1951.....	82.7	68.9	103.4	11,708	92.1	103.1	3,622	39	119.4	114.4	164.3	89.2
1952.....	96.2	80.2	120.1	13,516	102.3	102.3	3,728	47	131.8	126.4	171.8	104.5
1953.....	108.8	94.0	131.0	15,322	107.3	103.4	3,925	45	161.2	155.1	209.9	131.8
1954.....	114.7	100.0	136.7	16,307	108.0	104.0	3,958	48	173.5	166.9	213.2	150.3
1954												
August.....	108.1	90.5	134.4	15,729	105.1	103.6	4,000	71	164.0	157.9	193.1	146.7
September.....	105.4	91.7	126.0	14,543	97.8	103.1	3,993	65	169.7	163.5	196.9	151.8
October.....	112.3	97.1	135.1	14,578	96.6	102.6	4,159	67	177.6	171.0	200.4	161.1
November.....	114.0	96.7	139.9	15,019	102.2	102.0	4,051	62	176.5	170.0	199.9	160.4
December.....	160.5	148.6	178.3	25,623	167.0	101.6	3,868	60	180.0	172.9	204.3	163.5
1955												
January.....	114.3	91.7	148.2	15,525	103.5	100.9	3,621	63	158.9	152.2	182.6	141.5
February.....	109.6	93.0	143.6	14,854	100.5	100.6	3,754	66	169.4	163.0	197.1	151.3
March.....	119.8	100.5	148.7	14,700	99.5	101.1	3,984	84	185.2	177.8	219.7	163.9
April.....	113.9	97.3	137.8	15,192	101.3	103.0	4,126	70	181.1	174.1	218.7	160.2
May.....	106.0	94.8	122.8	14,902	100.5	102.6	4,315	66	181.5	174.4	218.9	161.1
June.....	108.1	101.2	118.4	17,015	116.8	117.0	4,302	68	184.4	177.6	219.0	165.3
July.....	121.8	118.9	126.1	19,973	135.7	117.0	4,311	72	187.1	180.2	216.0	170.6
August.....	114.5	95.7	142.7	15,599	108.9	116.8	4,148	71	189.2	182.7	232.2	171.7
September.....	114.0	102.4	131.4	14,983	106.4	116.7	4,197	67	193.3	185.3	226.9	175.0
October.....	..	104.7	..	15,036	104.7	116.6	4,339	72	▲ 194.3	▲ 186.9	▲ 234.7	▲ 171.4
November.....	..	..	..	..	..	..	..	..	199.8	192.3	236.5	178.6
Ag. Previous Month.....	(-) 0.4	(+) 2.2	(-) 7.9	(+) 0.4	(-) 2.0	(-) 0.1	(+) 3.4	(+) 7.5	(+) 2.8	(+) 2.9	(+) 0.8	(+) 4.2
Ag. Corr. Month in 1954.....	(+) 8.2	(+) 7.8	(+) 4.3	(+) 3.1	(+) 8.4	(-) 0.6	(+) 4.3	(+) 7.5	(+) 13.2	(+) 13.1	(+) 18.3	(+) 11.3

Year & Month	Manufacturing Ind. Total (1953=100)		Pro- ducer's Stock Indices Mining Manu- facturing Total (4)	Seller's Stock Indices (4)	Car- loadings Indices (5)	Depart- ment Store Sales (4)	Foreign Trade (6) (In \$1,000)			Foreign Trade Volume Indices (1934-6=100) (1)		Foreign Exchange (7) (\$ 1,000)		
	Piled-up Materials Indices (4)	Piled-up Im- ported Materials Indices (4)					Exports	Imports	Balance	Exports	Imports	Received	Paid	Balance
			1953=	1950=	1941=100									
			100	100										
1947 av.	—	—	—	—	72.1	1,188.6	173,568	526,130	▲ 352,562	—	—	—	—	—
1948 ".....	—	—	—	—	82.3	3,036.1	258,271	486,220	▲ 425,949	7.5	17.8	—	—	—
1949 ".....	—	—	—	—	86.9	5,499.8	509,700	904,845	▲ 395,145	16.1	28.0	—	—	—
1950 ".....	70.7	40.5	83.2	100.0	87.4	7,690.2	820,055	974,339	▲ 154,284	29.6	32.8	1,008,310	677,207	331,103
1951 ".....	82.9	68.6	82.1	83.4	106.2	11,943.3	1,354,520	1,995,039	▲ 640,520	31.4	48.3	2,240,580	1,909,278	331,303
1952 ".....	88.3	78.9	100.9	85.5	103.3	15,108.9	1,272,915	2,028,193	▲ 755,278	31.4	54.2	2,238,127	1,924,815	314,312
1953 ".....	100.0	100.0	100.0	96.1	105.7	19,818.1	1,274,843	2,409,638	▲ 1,134,795	35.3	74.4	2,120,037	2,313,716	▲ 193,679
1954 ".....	100.6	96.8	129.4	109.2	105.6	22,193.7	1,629,339	2,399,404	▲ 770,065	46.3	76.6	2,309,264	2,209,296	99,967
1954														
October.....	98.3	92.7	136.4	107.2	107.6	23,147.4	161,811	165,530	▲ 3,719	54.3	63.6	210,686	157,221	53,464
November.....	94.4	86.7	132.2	103.5	105.1	23,260.4	140,502	150,399	▲ 9,897	49.3	58.3	193,962	146,725	46,966
December.....	91.8	82.2	126.3	101.7	103.5	49,182.7	190,022	172,945	17,077	68.7	68.4	227,005	144,882	82,123
1955														
January.....	88.3	83.5	112.2	102.3	102.3	17,166.4	119,239	174,318	▲ 55,079	41.6	66.9	191,541	155,644	35,897
February.....	88.4	83.8	119.8	104.6	103.5	16,150.0	146,665	174,257	▲ 27,592	50.0	66.4	176,575	172,184	4,390
March.....	89.1	82.1	115.8	108.4	100.6	23,182.9	166,486	227,871	▲ 61,384	58.1	95.2	209,375	167,542	41,833
April.....	90.9	83.6	119.5	111.3	102.5	22,246.1	152,250	217,591	▲ 65,360	53.3	82.4	206,509	200,153	6,355
May.....	93.1	86.0	123.2	111.9	102.3	19,786.6	147,798	214,976	▲ 67,178	48.8	78.8	195,346	196,661	▲ 1,314
June.....	99.0	95.8	127.4	109.9	105.8	19,684.9	159,696	213,056	▲ 53,360	54.4	81.7	226,527	173,211	53,316
July.....	99.3	97.9	130.0	114.3	98.9	25,837.9	159,933	203,683	▲ 43,750	54.2	77.3	223,334	178,575	44,758
August.....	98.2	96.2	122.9	126.7	107.9	19,050.5	175,995	207,627	▲ 31,632	59.7	79.0	234,989	187,006	47,983
September.....	▲ 95.9	▲ 91.3	118.0	123.2	110.5	16,660.5	176,250	180,411	▲ 4,161	58.8	69.1	257,685	175,727	81,958
October.....	93.2	87.8	116.2	..	109.9	23,237.0	188,900	203,189	▲ 14,289	65.3	78.9	240,401	171,734	68,660
November.....	..	..	..	..	112.0	..	▲ 168,306	▲ 223,825	▲ 55,519	..	..	▲ 236,594	▲ 187,899	▲ 48,694
December.....	..	..	..	..	..	..	248,692	235,475	13,217	..	..	269,000	208,000	61,000
Ag. Previous Month.....	(-) 2.9	(-) 3.8	(-) 1.5	(-) 2.8	(+) 1.9	(+) 39.5	(+) 47.8	(+) 5.2	—	(+) 11.1	(+) 14.2	(+) 13.7	(+) 10.7	—
Ag. Corr Month in 1955.....	(-) 5.2	(-) 5.3	(-) 14.8	(+) 10.2	(+) 6.6	(+) 0.4	(+) 30.9	(+) 36.2	—	(+) 20.3	(+) 24.1	(+) 18.4	(+) 43.6	—

Notes: ▲ in Foreign Trade means excess in export, while ▲ in Foreign Exchange means excess in payment.

Sources: (1) Economic Planning Board (2) Ministry of Labor (3) Statistics Bureau, Prime Minister's Office (4) MITI (5) Ministry of Transportation (6) Ministry of Finance (7) Bank of Japan. ▲ Revised at source. × Revised.

3. Business Indices

(Based on Korea)

(June 1950=100)

Year & Month	Bank of Japan Note Issue (1)	Monthly Report of All Banks (Deposits=100)		Tokyo Stock Prices (2)		Tokyo Wholesale Prices (1)			Consumer Prices (3)		Cost of Living Tokyo (4)	
		Deposits	Advances	Dow Jones	Simple Arithmetic Mean	Total Average	Producer Goods	Consumer Goods	Tokyo	All Cities		
1954												
January	181.9	304.1	308.2	396.5	193.2	157.7	180.3	132.8	144.9	142.4	171.4	
February	176.6	303.6	308.7	395.4	188.0	158.1	180.1	134.0	145.2	143.4	170.9	
March	171.8	312.6	310.4	368.7	171.8	156.8	178.1	133.0	145.0	143.7	172.0	
April	174.8	306.9	309.5	364.0	166.8	153.9	174.6	131.0	145.8	144.2	175.2	
May	167.9	313.1	310.6	360.6	164.0	151.3	170.4	129.9	145.2	143.2	174.7	
June	171.7	308.9	312.1	368.2	165.6	148.7	166.5	128.6	145.0	144.1	175.9	
July	168.4	308.9	314.2	373.6	165.4	147.9	165.8	128.0	145.9	144.8	174.3	
August	167.7	312.6	316.7	372.1	161.1	148.5	165.6	129.4	144.2	144.9	173.2	
September	165.6	325.4	320.7	386.9	166.0	149.3	165.6	130.6	143.9	144.6	173.0	
October	170.3	321.2	323.3	373.4	157.5	149.0	165.5	130.3	145.8	145.9	172.7	
November	174.2	332.1	326.5	355.9	146.7	150.4	166.5	131.8	142.8	142.9	172.0	
December	199.9	349.6	335.3	369.8	152.4	149.3	164.9	131.3	141.5	142.0	170.9	
1955												
January	180.4	345.6	333.2	406.6	165.7	149.8	166.0	131.3	142.8	143.4	173.3	
February	175.8	348.3	334.9	411.1	165.9	150.5	168.1	130.7	143.2	143.7	174.9	
March	170.5	364.0	337.0	389.0	150.0	151.0	169.2	130.5	142.5	143.0	174.4	
April	176.9	361.4	336.6	385.4	145.6	149.6	168.3	129.0	144.7	143.8	176.0	
May	167.8	367.9	338.2	383.7	144.8	148.4	166.3	128.6	143.2	142.8	175.4	
June	171.2	370.6	340.7	388.8	153.4	147.2	164.9	127.6	142.2	142.0	176.0	
July	172.8	375.0	343.8	390.0	158.0	147.6	166.2	127.2	140.9	141.3	172.5	
August	173.8	380.4	345.3	414.0	167.9	148.4	167.2	127.6	142.4	142.3	169.6	
September	170.3	398.7	348.9	423.5	170.9	148.7	168.1	127.5	141.5	141.8	169.5	
October	176.5	394.4	349.5	440.3	175.0	149.2	169.0	127.5	143.8	143.7	168.8	
November	179.7	406.3	355.1	440.4	174.8	148.9	169.2	126.8	141.4	140.0	169.3	
December	216.6	..	..	449.5	176.2	149.0	169.5	126.7	..	..	169.5
1956												
January .....	..	..	..	..	..	..	..	..	..	..	170.8
Year & Month	Foreign Trade (5)		Export & Import Price Indices (1)		Manufacturing Industry Wages (6)		Employment Indices for Mfg. Industries (6)	E.P.B. Indices (7)				
	Exports	Imports	Exports	Imports	Nominal Wages	Real Wages		Incl. Gas & Electricity	Mining Mfg.	Manufacturing		
										Durable	Non-durable	
1953												
December	212.3	362.3	130.2	104.5	299.2	213.0	107.5	208.6	211.3	218.5	228.8	
1954												
January	143.3	333.3	130.1	104.3	180.0	126.3	107.2	189.7	191.9	200.2	205.6	
February	170.5	297.5	130.4	105.3	172.0	119.8	107.0	191.8	194.5	206.0	214.3	
March	207.3	360.0	129.1	105.7	169.4	117.8	107.5	208.2	211.0	224.9	223.3	
April	193.2	347.0	127.2	105.6	170.5	118.2	110.1	202.8	205.6	212.8	222.6	
May	191.5	327.9	125.6	104.7	167.6	116.9	109.2	198.4	200.9	208.4	218.2	
June	187.6	268.5	122.3	104.1	206.0	142.9	108.5	197.2	200.0	203.9	219.0	
July	215.3	251.7	121.1	103.5	222.5	156.5	107.8	192.9	195.2	197.1	214.2	
August	215.0	229.3	120.1	103.5	183.8	126.7	106.8	188.6	191.4	189.2	215.7	
September	203.8	220.2	118.5	103.9	170.0	117.5	105.3	197.1	200.1	190.7	228.8	
October	245.9	226.8	119.3	103.5	170.4	116.7	105.8	202.3	205.0	193.9	236.0	
November	213.5	206.1	119.7	104.7	175.5	122.7	105.2	201.9	204.8	193.8	234.8	
December	238.7	237.4	121.0	106.3	299.5	210.9	104.7	204.9	207.2	196.5	238.4	
1955												
January	181.2	239.3	121.1	106.8	181.5	126.5	104.0	184.5	186.3	176.6	213.3	
February	222.9	239.2	122.7	106.4	173.6	120.7	103.7	196.7	199.5	190.6	228.0	
March	252.9	312.8	124.3	105.6	171.8	120.0	140.2	215.1	217.6	212.5	247.0	
April	231.2	298.7	125.3	104.9	177.6	123.3	106.2	210.3	213.1	211.5	241.4	
May	224.6	295.1	124.0	105.6	174.2	121.9	105.8	210.8	213.4	211.7	242.6	
June	242.6	292.5	123.1	104.9	..	141.6	120.6	214.2	217.4	211.8	249.0	
July	243.0	279.6	124.2	106.0	..	170.8	120.6	217.3	220.6	208.9	256.9	
August	267.8	283.5	124.7	106.2	..	132.5	120.3	219.7	223.6	215.9	258.6	
September	268.2	247.7	124.5	104.5	..	127.7	120.3	224.5	228.3	219.4	263.6	
October	287.0	278.9	124.0	103.8	..	126.5	120.2	225.7	228.8	227.0	258.1	
November	255.7	307.2	126.2	105.0	..	..	..	232.1	235.4	228.7	269.0
December	377.8	323.2	..	..	..	..	..	..	..	..	..

Note: The various statistics above have been recalculated by The Oriental Economist on the basis of June 1950. ^ Revised at source.

Source: (1) Bank of Japan. (2) Tokyo Securities Exchange. (3) Statistics Bureau of Prime Minister's office. (4) The Oriental Economist survey of 157 items calculated by weighted arithmetic mean. The cost of living index base which was based on November, 1947 and calculated according to 57 items, has been later revised to July, 1950 with 131 items and further from August, 1953, the items were enlarged to 157. (5) Ministry of Finance. (6) Ministry of Labor. (7) Economic Planning Board.

4. Bank of Japan Ten-day Report

(In million yen)

(Bank of Japan)

	1955			
	Nov. 30	Dec. 10	Dec. 20	Dec. 31
LIABILITIES				
Bank Notes Issued	559,347	557,196	637,620	673,891
Government Deposits	64,963	100,014	61,648	2,099
Bankers' Deposits	2,612	2,566	5,619	50,779
Other Deposits	75,636	45,820	47,266	31,581
Inter-Bank Remittance				
Deposits	28,319	22,018	21,044	31,466
Reserves Against				
Contingencies	25,615	25,615	25,615	25,615
Other Liabilities	31,299	32,446	39,469	32,549
Capital Stock	100	100	100	100
Reserve Funds	13,473	13,473	13,473	13,473
Total	783,364	799,249	851,855	861,553
ASSETS				
Bullion	448	448	448	448
Cash	5,060	4,627	3,627	2,794
Discounted Bills	20,701	28,396	29,412	14,153
Loans	43,532	68,471	50,579	17,825
Foreign Exchange Loans ..	13,805	13,654	13,229	12,738
Government Bonds	448,117	488,432	509,721	553,660
Advances to Government ..	1,250	1,250	1,250	1,250
Foreign Exchange Accounts	182,363	183,555	184,226	184,844
Agencies Accounts	9,998	10,137	11,335	8,692
Inter-Bank Remittance	30,614	20,405	18,529	35,622
Other Assets	30,614	2,988	29,498	29,528
Total	783,364	799,249	851,855	861,553

5. Accounts of Member Banks of the Tokyo Banking Association

(In million yen) Tokyo Banking Assoc.

	1955			
	Nov. 30	Dec. 10	Dec. 20	Dec. 31
Deposits				
Current Deposits	269,933	136,921	135,221	291,951
Ordinary Deposits	173,527	166,927	171,839	187,098
Deposits at Notice	110,888	122,664	123,494	139,002
Time Deposits	354,751	356,664	357,908	360,393
Instalment Savings	19,126	19,000	18,904	19,360
Deposits for Tax Payment ..	2,852	2,709	2,787	2,608
Gov't Deposits	112,701	110,655	111,027	107,638
Other Deposits	65,736	34,741	35,829	42,096
Total	1,109,513	950,281	957,009	1,150,145
Advances				
Loans on Bills	547,950	555,365	572,217	568,889
Loans on Deeds	164,619	164,650	167,788	166,791
Overdrafts	3,870	4,313	4,423	3,620
Discounted Bills	351,494	339,890	341,428	366,403
Total	1,067,932	1,064,219	1,085,856	1,105,703
Advances against Import Bills				
Settlement Funds	38,041	42,551	44,774	39,940
Call Loans	21,958	16,747	15,216	22,467
Securities				
Government Bonds	22,123	22,098	21,998	25,672
Local Bonds	9,285	9,282	9,498	9,559
Corporate Debentures	119,189	119,181	119,336	121,867
Stock and Other Bonds	26,874	27,342	27,415	28,155
Total	177,471	177,903	178,246	185,253
Cash in Hand				
Cash	7,813	7,214	12,144	6,504
Checks, Bills, etc.	188,505	57,540	51,287	198,041
Total	196,318	64,754	63,431	204,545
Deposits	12,433	9,318	9,243	13,392

6. Monthly Report of All Banks

(October, 1955: Excluding Bank of Japan)

(In million yen)

(Bank of Japan)

	All Banks							Trust
	Debiture Issuing Banks (4)	Eleven Big Banks (11)	Local Banks (65)	Trust Banks (6)	Total (86)	Compared with end of pre. mo.	Account (17)	
Deposits								
Current Deposits	57,546	413,012	103,123	31,378	605,061	△ 33,344	—	
Ordinary Deposits	50,914	376,641	269,006	13,065	709,628	△ 1,113	—	
Deposits at Notice	37,726	137,865	39,623	19,760	234,976	△ 9,405	—	
Time Deposits	109,005	836,037	535,402	27,510	1,507,955	△ 16,494	—	
Special Deposits	13,373	72,555	25,912	4,084	115,926	△ 13,558	—	
Instalment Savings	1,876	31,197	90,562	21	123,660	△ 2,097	—	
Deposits for Tax Payment	846	5,978	2,609	502	9,936	△ 750	* 119,806	
Deposits of Gov't and Gov't Agencies ...	5,281	112,364	—	—	117,645	△ 2,598	** 105,378	
Other Deposits	—	958	—	—	958	△ 12	—	
Total	276,574	1,986,610	1,066,239	96,324	3,425,749	△ 36,970	—	
Borrowed Money.....								
Borrowings for Settlement of Import Bills ..	9,423	92,792	7,722	1,074	111,012	△ 22,043	226	
Call Money	2,163	15,406	39	202	17,811	△ 11,215	—	
	10,383	66,045	6,131	1,474	84,034	△ 20,088	2,242	
Cash and Deposits								
Cash in Hand	41,365	310,589	66,894	18,085	436,935	△ 63,681	1,352	
Deposits with Domestic Money Organs.....	3,049	15,155	19,422	1,248	38,876	△ 3,018	1,368	
Total	44,415	325,745	86,316	19,334	475,811	△ 66,700	2,720	
Call Loans	4,347	5,405	22,545	459	32,757	△ 5,832	19,049	
Securities								
Government Bonds	4,168	30,776	10,344	779	46,068	△ 21	88	
Local Government Bonds	2,057	14,938	11,251	233	28,481	△ 222	502	
Foreign Bonds	593	2,368	—	—	2,961	△ 44	11	
Corporate Debentures	26,577	167,279	149,688	4,462	348,007	△ 5,402	1,803	
Stocks	6,859	29,994	12,705	1,687	51,247	△ 1,660	1,131	
Other Bonds	26	220	495	114	837	△ 78	11	
Total	40,282	245,558	184,486	7,277	477,604	△ 7,230	3,549	
Advance								
Discount Bills	84,444	650,839	272,546	58,265	1,066,094	△ 18,999	17,908	
Advances against Real Estate	238,078	140,671	121,730	1,736	502,217	△ 906	11,291	
Advances against Securities	11,104	27,065	16,180	504	54,854	△ 331	9,286	
Other Secured Advances	21,955	141,104	125,552	5,324	293,936	△ 8,791	49,933	
Advances against Guarantee	30,310	193,926	192,315	781	417,334	△ 2,455	3,095	
Unsecured Advances	128,079	358,170	128,582	18,031	632,864	△ 1,083	108,210	
Overdrafts	818	9,314	10,615	301	21,049	△ 508	—	
Total	514,790	1,521,092	867,522	84,945	2,988,351	△ 7,754	199,726	
Loans for Settlement of Import Bills	4,684	40,994	773	1,252	47,705	△ 1,843	—	

Note: * Money in trust total. ** Loan trust. △ Decrease.

7. Bank Clearings

(In billion yen)

(Tokyo Clearing House)

8. Dishonored Bills

(In million yen)

(Tokyo Clearing House)

Year & Month	All Clearing Houses		Tokyo		Osaka		Of which, Transactions with Bank Suspended							
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	Tokyo		Osaka		All Clearing Houses		Tokyo	
							No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
	(1,000)		(1,000)		(1,000)									
1955: Mar. ..	10,487	2,948	4,189	1,409	2,095	629	42	3,781	31	2,335	7,210	501	2,188	179
Apr. ..	10,033	2,655	4,036	1,241	2,025	592	39	3,347	29	2,196	6,400	409	1,951	127
May ..	10,541	2,567	4,211	1,196	2,128	599	44	3,582	31	2,331	7,436	504	2,364	166
June ..	11,258	2,640	4,426	1,215	2,238	631	40	3,821	30	2,352	6,364	478	1,999	205
July ..	10,462	2,516	4,255	1,174	2,065	583	40	3,537	29	2,334	6,584	439	2,034	164
Aug. ..	10,986	2,711	4,312	1,239	2,236	631	46	4,067	37	2,742	7,181	463	2,051	141
Sept. ..	10,538	2,906	4,173	1,354	2,148	676	44	3,626	34	2,608	6,515	413	2,004	137
Oct. ..	10,731	2,853	4,285	1,326	2,160	656	48	3,816	37	2,640	7,351	461	2,275	160
Nov. ..	11,016	2,822	4,392	1,318	2,215	649	49	3,820	36	2,290	7,156	490	2,052	147
1954: Nov. ..	9,988	2,464	3,953	1,181	1,998	531	44	4,312	34	2,823	6,890	519	2,184	194

9. Postal Savings & Postal Transfer Savings

(In million yen) (Ministry of Postal Services)

10. Average Yields of Debentures

(Industrial Bank of Japan)

End of Month	Postal Savings				Postal Transfer Savings	Total	Month	Govt Bonds	Financial Debenture		Industrial Debenture
	Receipts	Pay-ments	Balance	Six Major Cities					Interest Bearing	Discount	
								%	%	%	%
1955: May ..	46,213	40,479	450,358	150,593	5,835	456,193	1955: Mar. ..	6.324	8.516	7.106	9.017
June ..	41,411	34,298	457,480	153,640	4,966	462,446	Apr. ..	—	8.522	7.106	8.998
July ..	47,878	33,351	472,007	159,832	6,214	478,221	May ..	—	8.525	7.113	8.978
Aug. ..	41,112	36,388	476,731	161,316	5,950	482,681	June ..	6.342	8.500	7.054	9.001
Sept. ..	40,151	37,443	479,439	161,959	7,583	487,221	July ..	6.354	8.500	7.054	9.006
Oct. ..	44,137	35,786	487,790	163,366	6,446	494,103	Aug. ..	6.362	8.500	7.054	9.000
Nov. ..	36,796	35,295	489,281	162,746	6,772	495,921	Sept. ..	—	8.500	7.054	8.992
1954: Nov. ..	36,147	31,573	413,451	135,975	7,968	421,419	Oct. ..	6.331	8.500	7.054	8.667
							Nov. ..	—	8.500	7.054	8.803

11. Bank of Japan Official Interest Rates

(In sen per diem per ¥100)**

12. Interest Rates for Advances by Member Banks

(In sen per diem per ¥100)

(Tokyo Banking Assoc.)

Revised on	Commer- cial Bills	Against Gov't. Bonds *	Advance Against Securi- ties other than Gov't Bonds	Over- draft	Year & Month	Loans on Deeds		Loans on Bills		Overdraft		Discount Bills	
						High	Low	High	Low	High	Low	High	Low
1932: Aug. 18	1.2	1.3	1.4	1.6	1955:								
1933: July 3	1.0	1.1	1.2	1.4	Mar.	3.30	2.60	3.30	1.80	3.00	2.90	3.30	2.10
1936: Apr. 7	0.9	1.0	1.1	1.3	Apr.	3.30	2.60	3.30	1.80	3.00	2.00	3.30	2.10
1937: July 15	0.9	0.9	1.1	1.2	May	3.30	2.60	3.30	1.80	3.00	2.00	3.30	2.10
Sept. 21	0.9	0.9	1.1	1.1	June	3.30	2.50	3.30	1.80	3.00	2.00	3.00	2.00
1946: Apr. 9	0.9	1.0	1.1	1.3									
Oct. 14	1.0	1.1	1.2	1.4	July	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
1948: Apr. 25	1.2	1.3	1.4	1.7	Aug.	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
July 5	1.4	1.5	1.6	1.9	Sept.	3.30	2.60	3.30	1.80	3.00	2.00	3.30	2.00
1949: Apr. 1	1.4	1.5	1.6	1.9	Oct.	3.30	2.60	3.30	1.80	3.00	2.00	3.20	2.00
June 2	1.4	1.5	1.6	1.9	Nov.	3.30	1.80	3.30	1.80	3.00	2.00	3.20	2.00
1951: Oct. 1	1.6	1.7	1.8	2.1	1954:								
1955: Aug. 10	2.0	2.1	2.2	2.3	Nov.	3.30	2.60	3.30	1.80	3.00	2.00	3.30	2.10

13. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

14. Interest Rates of City Bank Deposits

(In sen per diem per ¥100)

(Bank of Japan)

Year & Month	Tokyo			Osaka			Enforced on	Time Deposits (%)			Current Depo- sits	Ordinary Depo- sits	Depo- sits at Call	Other Deposit
	Rate		Balance at the End of the Month (million yen)	Rate		Balance at the End of the Month (million yen)		Three Months	Six Months	One Year				
	Over- Night (sen)	Uncon- ditional (sen)		Over- Night (sen)	Uncon- ditional (sen)									
1955: May	1.00	2.20	33,703	1.00	2.20	15,396	1940: Feb. { A.. — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — — —							

Notes: ^ includes foreign Trade bills. * includes stamp bills, foreign trade bills, etc. from Oct. 14, 1946; and from June 1949 includes financial and other preferential debentures. ** HOW TO COMPUTE PER DIEM INTEREST:—In addition to the usual annual rate in percentage, computing interest by per diem rates is widely in use in Japan. This rate is expressed in sen (1/100 yen) as interest per day on ¥100 of principal. To find the usual annual rate from the per diem rate multiply the latter by 365. For example, a diem rate of 1.0 sen on a principal ¥100 gives an interest of 365 sen or ¥3.65 per year or 3.65% per annum.

^ Revised at source.

15. Treasury Accounts with the Public

(In ¥100,000,000)

(Ministry of Finance.)

Items	Fiscal 1954			Fiscal 1955							1954
	Oct.- Dec.	Jan.- Mar.	Total	Apr.- June	July- Sept.	Oct.	Nov.	Dec.	Oct.- Dec.	Apr.- Dec.	Apr.- Dec.
General Account											
Revenue											
Taxes	1,870	1,988	7,709	1,803	1,925	505	518	901	1,926	5,654	5,721
Monopoly	214	272	1,137	336	243	33	21	64	118	697	865
Others	70	69	302	105	72	28	41	37	108	285	233
Total	2,154	2,329	9,148	2,244	2,240	566	580	1,002	2,152	6,636	6,819
Expenditure											
Defense Expenditure	225	189	860	182	151	110	8	25	143	476	671
Defense Board	201	133	648	159	131	55	48	113	218	508	515
Public Works Expenditure	362	334	1,650	365	320	81	74	223	378	1,063	1,316
Local Finance Equalization Grants	357	193	1,493	658	387	138	222	168	530	1,575	1,300
Compulsory Education Expenditure	208	143	687	183	159	102	—	123	225	567	544
Others	973	773	3,380	849	706	244	257	493	988	2,543	2,607
Total	2,326	1,765	8,718	2,396	1,854	730	609	1,145	2,482	6,732	6,953
Balance	△ 172	564	430	△ 152	386	△ 164	△ 29	△ 413	△ 330	△ 96	△ 134
Special Accounts and Others											
Foodstuff Control	△ 932	641	60	633	△ 583	△ 447	△ 87	△ 916	△ 1,450	△ 1,400	△ 581
Trust Fund Bureau	△ 381	30	△ 856	△ 236	6	△ 64	51	△ 177	△ 188	△ 418	△ 886
Industrial Investment	7	6	△ 41	4	31	9	△ 20	2	△ 27	8	△ 47
National Railways & Nippon Telegraph and Telephone Public Corporation	△ 71	91	△ 123	23	41	38	42	△ 175	△ 95	△ 31	△ 214
Finance Corporation	△ 223	△ 153	△ 637	△ 98	△ 81	△ 39	△ 52	△ 153	△ 245	△ 424	△ 484
Others	△ 263	86	1	△ 195	△ 127	△ 112	△ 66	△ 71	△ 124	△ 192	△ 85
Total	△ 1,863	701	△ 1,596	131	△ 459	△ 633	0	△ 1,490	△ 2,129	△ 2,457	△ 2,297
Designated Deposits	5	—	38	—	—	—	—	—	—	—	38
Adjustment Items	△ 6	27	△ 31	△ 145	△ 51	129	10	22	160	△ 36	△ 58
Foreign Exchange	△ 639	△ 239	△ 741	△ 314	△ 513	△ 199	△ 146	△ 181	△ 525	△ 1,352	△ 502
Balance	△ 2,675	1,053	△ 1,900	△ 480	△ 637	△ 867	△ 165	△ 1,792	△ 2,824	△ 3,941	△ 2,953

16. Share Price Indices

(April 30, 1954=100)

(The Oriental Economist)

	1 9 5 5														
	Feb. Av.	Mar. Av.	Apr. Av.	May Av.	June Av.	July Av.	Aug. Av.	Sept. Av.	Oct. Av.	Nov. Av.	Dec. 7	Dec. 14	Dec. 21	Dec. 28	Dec. Av.
Total	102.8	100.5	102.2	102.8	104.0	113.0	116.6	116.0	121.0	122.1	122.6	126.4	127.4	131.4	126.9
Mining	120.3	117.8	127.2	126.5	127.8	147.0	156.6	155.8	159.4	165.8	162.7	167.0	167.3	172.2	167.3
Foodstuffs	104.3	105.9	107.5	108.5	109.2	115.7	116.8	115.8	123.1	122.0	120.3	121.6	122.5	122.9	121.8
Textiles	97.4	96.0	96.7	98.0	100.6	105.6	113.6	110.9	115.4	115.2	113.9	117.0	118.7	119.9	117.4
Paper & Pulp	84.7	85.7	88.2	88.7	89.4	96.2	99.7	95.9	105.3	106.5	108.4	111.8	111.9	114.0	111.5
Chemicals	101.1	103.3	111.0	112.1	115.5	126.2	132.5	129.0	139.2	150.3	150.1	153.0	154.3	156.6	153.5
Glass & Quarrying	92.8	90.1	91.3	93.8	94.0	103.8	109.3	107.6	113.5	109.0	105.9	107.4	108.1	110.5	108.0
Primary Metals	112.7	104.1	101.5	104.6	105.5	117.8	116.6	118.4	121.2	121.5	123.7	133.1	139.2	147.5	135.9
Machinery	85.6	78.5	78.2	76.8	74.5	80.0	78.1	79.8	84.8	84.8	88.3	96.3	95.9	100.8	95.3
Ele. M'nery & Appliances	87.2	79.0	81.2	181.1	81.1	91.5	91.5	91.3	96.1	98.6	98.1	100.5	100.2	107.2	101.5
Transportation Machinery	91.2	87.3	91.5	89.9	91.8	98.4	97.1	96.5	100.6	100.8	104.9	112.1	113.4	118.4	112.2
Wholesale & Retail	111.0	111.5	112.7	111.7	110.3	117.9	126.2	128.0	134.6	143.4	148.0	150.3	149.6	155.5	150.8
Banking & Insurance	104.3	102.3	100.4	99.4	97.8	101.4	99.4	101.2	100.7	95.6	96.6	97.5	98.3	101.6	98.5
Rly. & Truck Transportation	110.2	109.9	112.4	113.9	118.7	126.1	132.4	132.5	139.4	142.4	142.9	143.8	143.4	146.5	144.1
Shipping	115.9	103.9	101.1	105.5	111.9	125.8	130.2	131.8	128.7	122.1	129.4	146.1	145.8	159.8	145.3
Warehousing, Real Estate	103.3	99.0	98.4	93.4	88.1	98.0	106.4	107.6	110.9	105.7	105.8	110.1	107.4	111.5	108.7
Gas & Power	123.2	120.5	124.5	126.9	131.7	149.7	154.6	155.2	164.3	170.4	171.9	174.9	175.9	179.3	175.5
Service	112.0	114.9	113.4	112.0	110.2	110.9	113.9	111.4	117.4	114.9	113.3	114.3	115.7	124.5	116.9
Designated Shares	106.5	105.3	103.6	100.9	100.7	107.5	105.5	109.1	107.5	102.1	104.0	108.9	108.0	113.1	108.5

17. Tokyo Wholesales Price Indices

(1934-36=100)

(Bank of Japan)

Year & Month	Average	Staples	Other Foodstuffs	Textiles	Fuel	Metals & Machinery	Building Materials	Chemical Products	Miscella- neous
1954 Average	34,929.6	34,794.9	32,807.0	37,446.9	31,031.0	32,259.6	43,844.6	25,980.3	24,751.9
1955: July	33,983.7	34,969.3	31,688.5	35,973.7	31,549.3	32,416.5	39,339.2	25,190.8	24,704.6
August	34,158.8	34,678.6	31,847.9	35,973.7	31,581.4	32,996.1	39,943.9	25,160.4	24,705.8
September	34,228.9	34,039.1	31,847.9	35,520.4	31,869.9	33,829.1	40,192.9	25,221.3	24,863.7
October	34,299.0	34,097.2	32,007.3	34,861.1	31,966.1	34,589.7	40,264.0	25,343.1	24,574.3
November	34,263.9	33,777.5	31,114.7	35,149.6	33,312.7	34,662.2	39,872.7	25,495.4	24,442.7
December	34,299.0	33,603.1	31,242.2	34,943.5	33,537.2	34,988.1	39,801.6	25,586.8	24,442.7
1954: December	34,369.0	34,562.3	33,059.4	35,932.5	33,120.4	30,714.2	41,757.9	24,916.7	24,521.7

Note: △ Means excess of payments. △ Revised at source.

18. Tokyo Retail Price Indices

(July, 1914=100)

(Bank of Japan)

Year & Month	Average	Food	Fuel & Lighting	Clothing	Others
1955: Average	50,400.9	62,957	61,606	34,352	41,856
1955: July	48,245.6	58,799	58,916	32,681	42,122
August	48,502.2	59,501	58,418	32,860	41,984
September	48,555.1	59,581	58,733	33,095	41,837
October	48,382.9	59,033	60,116	32,811	41,937
November	48,053.6	58,131	61,993	32,670	42,016
December	48,262.6	58,676	61,369	32,339	42,090
1954: December	50,100.0	63,038	61,921	33,513	41,269

19. Commodity Quotations & Turnovers

Year & Month	Tokyo Cotton Yarn (20, single, per lb.)							Osaka Cotton Yarn (20, single, per lb.)						
	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)
	High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: May	186.3	172.5	174.1	186.8	174.9	174.9	59	184.9	171.9	178.5	184.5	173.5	173.5	376
June	168.0	166.5	180.0	185.4	169.1	183.9	83	186.7	165.5	182.0	184.1	169.9	184.1	634
July	188.9	183.1	186.2	189.8	180.0	188.1	69	190.0	180.8	180.8	188.3	179.6	187.5	448
August	194.5	182.9	194.5	188.4	176.9	185.0	55	189.0	182.3	186.6	186.1	176.5	183.0	411
September	197.0	189.1	197.0	185.4	176.0	177.0	48	197.5	188.9	197.5	184.5	173.5	175.9	290
October	206.0	182.0	191.0	175.1	163.6	168.4	110	197.5	179.5	195.0	172.9	162.0	164.3	629
November	199.9	190.1	199.9	177.5	165.1	174.1	82	198.0	190.0	198.0	175.6	163.1	173.1	526
December	194.5	179.6	179.6	177.4	165.0	165.5	74	191.0	185.9	186.7	176.4	161.9	165.5	385
Year & Month	Tokyo Rayon Yarn (Viscose 120 D. per lb.)							Fukui Rayon Yarn (Viscose 120 D. per lb.)						
	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)
	High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: May	189.5	174.5	175.0	190.5	176.4	176.4	176	188.0	175.6	175.6	188.9	176.4	176.4	147
June	187.9	169.1	186.0	187.1	171.1	187.1	249	188.4	172.4	186.0	187.4	172.5	187.4	197
July	196.5	188.1	191.1	196.0	184.8	195.9	245	195.8	188.4	191.1	195.1	185.3	195.0	208
August	200.5	189.8	194.0	196.9	186.6	191.1	213	197.0	189.8	194.4	194.8	187.6	190.8	124
September	196.4	189.5	196.4	193.1	185.8	186.7	116	195.0	189.0	195.0	192.3	186.5	187.6	88
October	200.9	186.0	200.9	185.0	175.2	181.6	200	194.4	184.7	193.0	186.4	175.7	181.9	160
November	219.0	196.5	219.0	196.0	181.2	194.0	208	196.8	191.0	196.8	192.1	180.7	191.0	125
December	229.8	208.9	221.0	207.9	189.0	207.9	355	217.1	196.6	216.4	204.6	186.9	204.6	277
Year & Month	Tokyo Spun Rayon Yarn (30s bright, per lb.)							Osaka Spun Rayon Yarn (30s bright, per lb.)						
	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)
	High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: May	120.9	113.0	116.0	123.7	116.0	116.0	3	121.5	112.3	112.3	121.8	112.6	112.9	29
June	123.1	112.5	121.0	122.6	113.1	122.6	3	122.2	110.7	118.6	125.6	110.0	125.6	43
July	126.5	123.0	126.2	126.1	123.6	125.3	3	130.0	126.4	128.0	127.4	122.9	126.2	55
August	134.8	124.9	131.6	130.0	119.0	129.0	3	133.9	125.0	131.0	125.9	120.0	124.1	17
September	150.0	131.0	150.0	129.0	124.5	129.0	2	137.5	126.2	137.5	129.5	121.0	125.2	14
October	139.0	137.5	139.0	—	—	—	6	150.0	127.8	150.0	126.0	111.1	124.1	21
November	138.0	138.0	138.0	—	—	—	—	157.5	143.3	156.0	137.0	123.9	133.2	30
December	—	—	—	—	—	—	—	150.5	145.0	148.0	133.0	125.5	132.7	19
Year & Month	Yokohama Raw Silk (20/22 A, per kin)							Kobe Raw Silk (20/22 A, per kin)						
	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (hyo)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (hyo)
	High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: May	2,080	2,030	2,035	2,080	2,036	2,080	32	2,085	2,053	2,055	2,070	2,041	2,041	14
June	2,170	2,031	2,170	2,110	2,025	2,110	44	2,170	2,032	2,170	2,124	2,034	2,124	27
July	2,224	2,130	2,167	2,151	2,110	2,144	50	2,210	2,135	2,180	2,153	2,112	2,144	21
August	2,169	2,115	2,121	2,154	2,103	2,103	38	2,169	2,121	2,144	2,151	2,109	2,109	15
September	2,119	2,041	2,041	2,129	2,077	2,077	41	2,122	2,059	2,060	2,125	2,075	2,077	18
October	2,046	1,921	1,931	2,079	2,017	2,046	60	2,053	1,935	1,935	2,079	2,016	2,044	28
November	1,994	1,921	1,921	2,040	1,981	1,990	46	2,000	1,925	1,936	2,039	1,986	1,991	19
December	1,960	1,920	1,930	2,009	1,970	1,991	48	1,971	1,926	1,931	2,017	1,980	1,996	24
Year & Month	Toyohashi Cocoon (High grade, per 100 momme)							Nagoya Woollen Yarn (48, double, A grade, per lb.)						
	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)	Current Month (In yen)			Futures (6 months) (In yen)			Turnover (In 100) (mai)
	High	Low	End of Month	High	Low	End of Month		High	Low	End of Month	High	Low	End of Month	
1955: May	444	382	414	375	361	365	48	1,184	1,116	1,124	1,159	1,104	1,109	334
June	391	364	391	412	368	412	68	1,166	1,096	1,166	1,158	1,066	1,158	388
July	411	393	393	422	409	416	76	1,190	1,140	1,140	1,173	1,125	1,125	266
August	403	390	394	424	407	408	61	1,129	1,042	1,048	1,106	1,030	1,040	637
September	393	361	361	415	388	392	68	1,053	951	962	1,040	953	968	859
October	375	344	353	395	372	384	92	984	924	932	951	886	888	869
November	369	354	354	383	327	374	68	1,024	931	964	962	876	957	685
December	387	350	387	391	365	384	77	1,025	970	970	964	887	912	552

Note: mai=cotton yarn·400 lbs., rayon yarn & spun rayon yarn·200 lbs., woollen yarn·100 lbs., cocoon·10 kan (1 kan=8.267 lbs.), rubber·250 lbs., hyo=raw silk·99.2 lbs. kin=raw silk·160 momme.

20. Exports and Imports by Value and Indices

(1934-36=100 for indices)

Year & Month	Value (In \$1,000)			Value (In million yen)			Export Indices			Import Indices			B/D
	Exports	Imports	Balance	Exports	Imports	Balance	Amount (A)	Per Unit (B)	Volume (A/B)	Amount (C)	Per Unit (D)	Volume (C/D)	
1953 Total	1,274,843	2,409,637	↔1,134,795	458,934	867,469	↔408,526	..	..	..	..	..	..	..
1954 Total	1,629,236	2,399,404	↔770,168	586,525	863,785	↔277,260	..	..	..	..	..	..	..
1955: May	147,798	214,976	↔67,178	53,207	77,389	↔24,184	188.7	386.6	48.8	263.2	333.9	78.8	115.8
June	159,686	213,056	↔53,360	57,491	76,391	↔19,209	203.2	374.9	54.2	260.7	319.4	81.6	117.4
July	159,933	203,683	↔42,750	57,576	73,326	↔15,750	204.2	376.8	54.2	249.4	313.9	79.4	120.0
August	175,944	207,628	↔31,634	63,345	74,348	↔11,388	224.7	376.6	59.7	254.2	321.8	79.0	117.0
September	176,250	180,411	↔4,161	63,450	64,948	↔1,498	255.0	382.7	58.8	220.9	319.7	69.1	119.7
October	188,900	202,189	↔14,289	68,004	78,577	↔10,573	242.7	371.6	65.3	248.8	315.4	78.9	117.8
November	▲168,306	▲223,285	▲55,519	▲60,590	▲80,577	▲19,987	..	..	..	..	..	..	..
▲December	248,692	235,475	13,217	89,529	84,771	4,758	..	..	..	..	..	..	..

21. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1951 Total	1,297,324	943,257	2,240,581	1,725,111	184,167	1,909,278	331,303
1952 Total	1,289,186	949,942	2,239,127	1,718,361	206,454	1,924,815	314,312
1953 Total	1,156,399	963,638	2,120,037	2,100,998	212,718	2,313,716	↔193,679
1954 Total	1,532,478	776,786	2,309,264	1,961,680	247,616	2,209,296	99,967
1955: May	141,841	53,504	195,345	163,315	33,345	196,661	↔1,316
June	160,472	66,054	226,527	146,234	26,976	173,211	53,316
July	165,306	58,027	223,334	156,498	22,076	178,575	44,758
August	168,901	66,088	234,989	163,041	23,965	187,006	47,983
September	190,646	67,038	257,685	149,220	26,506	175,727	81,958
October	178,748	61,616	240,401	142,043	29,690	171,734	68,666
November	▲174,499	▲62,094	▲236,594	▲154,858	▲33,040	▲187,899	▲48,694
▲December	198,000	71,000	269,000	177,000	31,000	208,000	61,000
1954: December	162,525	64,479	227,005	124,072	20,810	144,882	82,123

22. Exports and Imports by Settlement Area

(In 1,000 dollars)

Year & Month	Exports								Imports							
	Total	%	Sterling	%	Open Account	%	Dollar	%	Total	%	Sterling	%	Open Account	%	Dollar	%
1951 Total	1,297,324	100	562,547	43	432,650	33	302,127	24	1,725,111	100	429,080	25	316,426	18	979,605	57
1952 Total	1,289,186	100	596,519	46	296,980	23	395,687	31	1,718,361	100	532,489	31	230,887	13	954,985	56
1953 Total	1,156,399	100	313,963	27	361,042	31	481,392	42	2,100,998	100	617,204	29	464,621	22	1,019,170	49
1954 Total	1,532,478	100	507,726	33	538,581	35	486,044	32	1,961,680	100	351,947	18	480,078	24	1,129,634	58
1955: May	141,841	100	55,396	39	33,087	23	53,321	38	163,315	100	52,530	32	39,418	24	71,237	44
June	160,472	100	60,722	38	35,453	22	64,257	40	146,234	100	49,059	33	40,617	28	56,531	38
July	165,306	100	63,001	38	35,596	22	66,650	40	156,498	100	53,801	34	38,519	25	46,102	41
August	168,901	100	56,974	34	42,376	25	69,487	41	163,041	100	53,259	33	40,203	25	69,517	43
September	190,646	100	67,767	36	40,360	21	82,475	43	149,220	100	49,958	34	34,403	23	64,778	43
October	178,748	100	62,677	35	38,946	22	77,109	43	142,043	100	48,253	34	28,273	20	65,495	46
November	▲174,499	100	▲63,229	36	▲39,785	23	▲71,331	41	▲154,858	100	▲51,292	33	32,773	21	▲70,727	46
▲December	198,000	100	**66,000	33	49,000	25	*83,000	42	177,000	100	**47,000	27	38,000	21	*92,000	52
1954: December	162,525	100	62,858	39	43,861	27	55,780	34	124,072	100	24,974	20	30,962	25	68,135	55

23. Indices for Industrial Activities

(1934-36=100)

Year & Month	Industrial Activities				Manufacturing									
	All	Public Works	Mining-Manu-facturing	Mining	All	Food-stuff	Textiles	Printing & Binding	Chemicals	Rubber & Leather	Wood & Wood Products	Ceramics	Metals	Ma-chinery
1953 average	(153) 161.2	(2) 220.7	(151) 155.1	(10) 122.6	(141) 159.7	(12) 161.7	(12) 76.5	(1) 106.5	(37) 216.6	(10) 172.1	(2) 169.8	(7) 156.0	(18) 183.5	(42) 266.5
1954 „	173.5	236.9	166.9	117.0	173.4	191.8	81.9	109.6	267.2	170.8	177.0	175.3	192.3	257.4
1955: April	181.1	257.4	174.1	111.6	182.6	180.8	86.7	117.9	298.6	178.2	183.6	176.3	218.1	240.5
May	181.5	257.0	174.4	109.0	183.4	183.6	81.9	122.9	311.7	170.7	210.2	171.6	218.4	235.4
June	182.9	242.2	176.1	114.1	184.7	189.1	85.0	123.3	314.0	174.0	210.2	164.7	213.8	235.0
July	187.1	245.3	180.2	115.5	189.2	209.3	86.5	123.7	328.3	167.0	179.5	171.4	212.2	242.8
August	189.2	230.8	182.7	113.7	192.1	205.7	87.4	126.6	330.2	171.8	183.2	177.7	220.2	250.1
September	▲ 193.3	240.0	186.5	119.4	195.7	194.4	90.7	▲ 127.3	▲ 339.2	192.7	188.8	188.0	223.5	251.8
▲ October	194.3	266.4	186.9	124.0	195.6	204.8	87.3	131.6	323.0	198.3	189.3	188.4	230.5	266.5
▲ November	199.8	270.8	192.3	126.7	201.2	223.1	91.7	129.4	336.0	191.6	189.3	192.1	232.1	266.5

Note: ▲ Provisional figures. * Revised at source. In Table 23, figures in parentheses mean items represented.

Source: Table 20, Finance Ministry for value and Economic Planning Board, for indices; Table 21 & 22 Foreign Exchange Control Dept., Bank of Japan; Table 23, Economic Planning Board. *Canadian dollars & Swiss francs are included. **German marks are included.

24. Coal Supply & Demand

(1,000 metric tons)

Year & Month	Carry-overs (A)	Coal Output (B)	Deliveries			Losses (D)	Month-end Stocks			
			Total (C)	To Industries (Classifiable)	To Industries (Unclassifiable)		Total (A+B)-(C+D)	At Collieries	At Port	At Market
1955: May	3,041	3,330	3,251	3,208	43	↔ 0.2	3,120	1,097	958	1,065
June	3,120	3,466	3,644	3,139	77	0.6	3,524	1,143	1,116	1,265
July	3,524	3,421	3,230	3,228	2	6.6	3,722	1,127	1,251	1,343
August	3,722	3,316	3,515	3,597	↔ 82	4.6	3,527	1,062	1,120	1,346
September	3,527	3,549	4,025	3,990	35	24.8	3,075	967	952	1,156
October	3,076	3,736	3,705	3,859	↔ 154	10.1	3,117	920	1,005	1,192

25. Electric Energy Consumption (1,000 KWH)

Supplied by Power Companies (Over 500 kw)					Industries	Self-generated				
1955						1955				
June	July	August	September	October		May	June	July	August	September
203,196	218,784	206,717	210,282	217,754	Mining	49,613	50,632	47,271	49,661	47,458
30,129	94,735	35,206	31,901	26,984	Foodstuffs	473	632	370	626	418
133,467	137,628	133,748	134,883	115,413	Spinning	776	784	633	620	814
172,074	179,862	173,595	177,387	185,205	Paper & Pulp	58,044	60,738	57,709	61,488	66,012
732,256	713,887	528,523	622,737	738,524	Chemical	248,495	235,531	232,301	190,155	207,624
12,285	12,867	12,095	12,944	12,493	Oil & Coal Products	914	1,774	1,906	1,849	1,924
14,002	13,722	13,766	15,346	16,120	Rubber Goods	—	—	—	—	—
37,202	40,013	39,825	40,935	42,253	Glass & Earthen Products	106,903	93,113	95,772	97,197	107,781
434,635	429,015	370,451	391,832	473,934	Primary Metals	212,274	205,143	210,524	180,615	195,355
6,533	6,569	7,046	7,018	7,209	Metal Products	—	—	—	—	—
26,049	25,501	25,660	26,478	28,233	Machinery	223	66	114	—	148
38,398	34,224	31,717	35,399	42,400	Electric Machinery & Tools	—	—	—	—	—
50,998	50,747	52,639	54,161	58,358	Transportation Machinery & Tools	3	—	—	—	—
7,775	8,889	8,758	7,962	..	Other Manufacturing	—	—	—	—	—
1,965,803	1,687,659	1,433,030	1,737,868	1,975,793	Manufacturing Total	628,081	597,779	599,297	532,672	580,076
231,969	243,634	254,402	248,927	248,729	Public Utilities	94,779	89,547	92,615	89,940	92,157
95,768	104,592	101,444	97,108	96,701	Others	50	162	—	—	—
2,226,736	2,254,669	1,995,593	2,106,247	2,330,888	Total	772,523	648,785	739,183	672,604	719,691

26. Supply & Demand of Raw Silk

(In bales=123 lbs.)

Year & Month	Raw Silk						Silk Fabrics	
	Production	Exports	Domestic Deliveries	Stocks at Month-end	U.S. Consumption		Production	Exports
					Consumption	Stocks at Month-end		
1955: April.....	18,688	4,666	14,319	11,686	4,179	7,233	15,103	2,846
May.....	14,419	4,457	13,437	8,211	4,218	6,419	14,866	2,173
June.....	19,878	3,677	15,464	8,948	3,866	5,550	15,805	2,379
July.....	31,468	7,267	20,218	12,931	3,405	4,225	15,930	2,256
August.....	30,563	9,404	18,855	15,235	4,321	4,954	15,842	2,358
September.....	30,221	10,934	19,720	14,802	4,899	6,158	15,976	2,425
October.....	28,966	9,804	17,470	16,494	5,064	7,519	15,036	..
1955: January~October.....	233,663	68,127	162,190	—	44,008	—	107,260	20,163
1954: January~October.....	206,702	60,934	143,540	—	38,820	—	81,847	17,487

27. Supply & Demand of Paper and Pulp

Year & Month	Pulp (long ton)				Paper, Western Style (in 1,000 pounds)				Cardboard & Japanese Style Paper (in 1,000 pounds)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Consumption	In Stock	Production	Deliveries	Self-Consumption	In Stock
1955: May	156,888	83,167	76,296	33,910	251,641	243,721	6,840	100,452	401,289	374,495	18,368	158,414
June	155,902	83,964	76,931	28,917	258,511	241,906	6,808	110,221	402,659	367,152	17,520	176,401
July	158,220	85,409	73,366	28,362	260,900	240,893	7,262	122,967	403,325	366,191	17,992	195,542
Aug.	156,892	84,910	72,935	27,409	261,408	246,028	7,791	130,556	403,887	378,227	18,125	203,076
Sept.	161,806	87,449	75,448	26,318	268,230	253,885	7,779	137,122	419,981	402,847	19,789	200,421
Oct.	164,151	88,837	72,003	29,629	272,932	259,234	7,381	143,439	432,058	410,991	19,778	201,709
1954: Oct.	134,087	72,135	62,567	59,324	228,865	243,568	7,198	158,187	359,270	366,746	19,008	229,238

28. Supply & Demand of Soda and Ammonium Sulphate

(In metric tons)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1955: April	186,500	180,855	5,185	27,070	26,068	4,117	41,415	36,112	9,221
May	196,634	216,679	2,578	25,364	24,385	3,578	42,989	35,941	9,691
June	181,898	158,806	4,647	23,461	21,725	4,034	43,526	38,966	7,809
July	185,378	127,223	9,393	28,070	26,286	4,186	43,564	38,443	8,032
August	161,467	152,543	103,499	28,488	26,004	5,198	43,537	37,882	7,452
September	177,718	160,363	114,236	27,138	25,286	5,449	44,360	37,011	8,172
October	175,501	168,144	114,049	29,368	28,192	4,930	47,842	39,161	9,537
1954: October	173,112	159,819	108,122	27,161	26,211	6,619	38,690	34,913	12,257

Sources: 24. Natural Resources Agency.

25. Public Utilities Bureau.

26. Central Raw Silk Association.

27. MITI.

28. MITI

▲ Revised at source.

29. JPA Procurement Contracts (In \$1,000)

	Contracts (monthly total)			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
June 1950 to June 1951.....	328,922	229,995	98,927	328,922	229,995	98,927
July 1951 to June 1952.....	313,283	234,848	78,435	642,205	464,843	177,362
July 1952 to June 1953.....	357,230	253,695	103,535	999,435	718,538	280,897
1955: April	13,679	5,939	7,740	1,395,321	879,780	515,541
May.....	19,662	12,730	6,932	1,413,955	891,926	522,030
June.....	24,596(4,205)	11,133(4,205)	13,463	1,438,135(8,543)	903,002(8,543)	535,133
July.....	31,859(1,589)	3,348(1,589)	28,511	1,469,597(10,132)	906,269(10,132)	563,328
August	8,979(596)	3,769(596)	5,210	1,478,224(10,728)	909,623(10,728)	568,601
September	9,460(1,264)	4,916(1,264)	4,544	1,488,096(17,788)	914,502(17,788)	573,594
October	21,674	4,063	17,611	1,509,700(17,788)	918,473(17,788)	591,227

Note: Figures in parentheses represent the purchase done by the U.S. Government with the yen earned through the sales of agricultural surplus.
 Figures totally revised. From this issue, only contracts based on dollars given (previously figures included both dollar and yen contracts).
 Source: American Embassy Economic Section.

30. JPA Procurement Payments (In \$1,000)

	Monthly			Cumulative total as from June 26, 1950		
	Total	U.S.'s Burden	*Japan's Burden	Total	U.S.'s Burden	*Japan's Burden
1955: January	24,440	13,219	11,221	1,962,217	1,562,722	399,495
February.....	26,443	14,496	11,947	1,988,660	1,577,218	411,442
March.....	34,313	18,475	15,838	2,022,973	1,595,693	427,280
April.....	26,846	14,363	12,483	2,049,819	1,610,056	439,763
May.....	25,345	16,735	8,610	2,075,164	1,626,791	448,373
June.....	40,656	31,637	8,919	2,115,720	1,658,428	457,292
July.....	31,189	19,404	11,785	2,126,688	1,667,611	469,077
August.....	31,488	22,463	9,025	2,168,176	1,690,074	478,102

Note: *Payments made in yen equivalents.
 Source: American Embassy Economic Section.

31. Department Store Sales (In million yen)

	By Month	No. of Stores	Total	Clothing	Sundry Goods	Household Utensils	Provisions	Dining Room	Services	Outside Store Sales	Others	Gift Certificates
Total	1955: February....	158	12,070	5,494	2,451	1,174	2,003	345	142	337	125	139
	March.....	158	17,327	8,432	3,646	1,449	2,498	496	188	455	162	251
	April.....	158	16,626	7,548	3,671	1,617	2,488	502	187	442	172	187
	May.....	158	14,788	6,621	2,965	1,546	2,314	503	167	500	172	134
	June.....	158	14,712	7,104	2,714	1,607	1,996	453	139	541	158	139
	July.....	158	19,311	8,487	3,764	2,060	3,382	577	139	718	176	553
	August	158	14,238	5,132	3,019	1,455	3,243	595	126	490	179	357
	September ..	158	12,452	5,642	2,441	1,200	2,007	426	138	449	148	103
	October	158	17,367	8,832	3,038	1,654	2,467	470	193	536	177	141
	1955: February....	50	8,607	3,870	1,774	877	1,361	229	107	302	87	87
Big Six Cities	March.....	50	12,408	6,100	2,584	1,025	1,698	325	141	416	115	151
	April.....	50	11,939	5,382	2,659	1,197	1,713	335	141	395	117	112
	May.....	50	10,555	4,687	2,134	1,134	1,565	328	128	455	124	81
	June.....	50	10,670	5,119	1,982	1,221	1,352	305	105	493	113	89
	July.....	50	14,450	6,187	2,858	1,567	2,548	395	107	668	121	395
	August	50	9,619	3,306	2,116	1,025	2,137	382	94	438	122	140
	September ..	50	9,054	4,047	1,806	901	1,384	290	106	414	106	57
	October	50	12,563	6,317	2,227	1,226	1,708	320	145	492	128	86
	1955: February....	108	3,463	1,624	676	297	642	116	35	35	38	52
	March.....	108	4,919	2,333	1,062	424	800	167	48	39	47	01
Provincial	April.....	108	4,687	2,166	1,012	420	775	167	46	47	55	175
	May.....	108	4,233	1,934	831	412	750	174	39	44	49	53
	June.....	108	4,042	1,985	733	406	644	148	34	48	45	50
	July.....	108	4,860	2,300	906	493	841	182	32	50	55	158
	August	108	4,619	1,825	903	429	1,107	213	33	52	57	140
	September ..	108	3,397	1,595	635	299	624	136	32	35	42	46
	October	108	4,804	2,515	811	428	759	149	48	44	49	54

Source: Ministry of International Trade & Industry.

32. Labor Population Survey (In 1,000)

Year & Month	Total (1) Population	Population 14 years old and over						Agriculture & Forestry		Non-Agricultural Industry	
		Total (2)	Labor Force				Not in Labor Force	Not at Work (3)	At Piece-Work (4)	Not at Work (3)	At Piece-Work (4)
			Total of the following three columns	Agriculture & Forestry	Non-Agricultural Industries	Totally Unemployed					
1953 Average	86,780	58,310	39,700	17,130	22,120	450	18,620	260	6,270	300	3,360
1954 ".....	88,030	59,280	40,510	16,670	22,910	580	19,080	250	5,790	310	3,360
1955: June.....	89,100	60,830	43,710	19,540	23,480	680	17,030	150	4,310	310	3,210
July.....	89,100	60,830	43,110	18,690	23,690	720	17,610	180	4,880	380	3,450
August.....	89,200	60,820	42,190	17,620	23,860	710	18,540	230	7,110	410	4,090
September	89,300	61,040	42,640	17,820	24,140	670	18,300	170	6,950	290	4,170
October.....	89,400	61,440	44,110	19,140	24,250	720	17,240	140	5,320	320	3,500
November	89,400	61,410	43,180	17,560	25,050	570	18,130	160	5,750	250	3,440
1954: November	88,500	59,730	411,30	17,060	23,450	620	18,540	210	5,920	330	3,240

Notes: (1) Since August, 1950, total population is the estimated total population as of the 1st of next month.

(2) Including persons whose labor force status was unknown.

(3) Among the persons holding jobs but not at work during the survey week, the following are defined as not at work: self-employed workers are not at work provided that their employees or unpaid family workers are engaged in their business during the survey week; employees are not at work provided that either they received or are expected to receive payment.

(4) Those whose working hours total only 1-34 hours in a week.

Source: Bureau of Statistics, Office of the Prime Minister.

33. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Au- thorized (Paid up) Capital In mil- lion yen	Divi- dends	1955		1956	Names of Shares	Au- thorized (Paid up) Capital In mil- lion yen	Divi- dends	1955		1956
			Jan.-Dec.		Jan.				Jan.-Dec.		Jan.
			High	Low	16				High	Low	16
Transportation						Food & Fishery					
Iino Kaiun	6,600	—	73	40	57	Ajinomoto	1,640	30	310	261	289
Kawasaki Steamship	1,100	—	54	38	60	Asahi Breweries	1,460	20	204	163	180
Mitsubishi Shipping	1,600	—	90	50	85	Dainippon Sugar Mfg.	720	25	164	125	143
Mitsui Steamship	3,600	—	64	43	64	Honen Oil	600	20	157	112	140
N.Y.K.	7,600	—	95	85	72	Kirin Brewery	1,230	22	225	186	203
O.S.K.	7,600	—	68	50	54	Meiji Confectionery	560	25	200	149	181
Tobu Railway	800	13	128	101	130	Morinaga Confectionery	750	26	302	□ 172	183
Tokyo El. Express Railway ..	1,500	15	121	82	123	Nippon Breweries	1,460	20	190	137	165
Mining & Oil						Nippon Cold Storage	1,600	20	144	134	126
Furukawa Mining	1,352	—	98	□ 57	94	Nippon Flour Mills	720	20	149	116	126
Mitsui Mining & Smelting	2,400	20	129	94	125	Nippon Suisan	2,800	15	104	69	112
Mitsubishi Mining	1,800	—	61	37	61	Nisshin Flour Milling	1,000	20	170	145	122
Mitsubishi Metal Mining	2,100	15	136	80	175	Noda Soy Sauce	800	30	394	□ 185	186
Mitsui Mining	1,200	—	75	50	70	Takara Shuzo	2,380	20	135	75	135
Nihon Mining	2,100	15	131	67	136	Chemicals					
Nittetsu Mining	300	30	445	244	319	Asahi El. Chemical	500	15	100	70	94
Nippon Oil	4,500	30	122	84	105	Dainippon Celluloid	1,000	15	123	70	127
Showa Oil	1,700	20	175	80	145	Electro Chemical	1,020	20	180	115	142
Sumitomo Coal Mining	600	—	78	49	71	Japan Oil & Fat	1,000	—	51	28	38
Sumitomo Metal Mining	1,300	15	138	82	141	Kansai Paint	400	20	119	71	120
Teikoku Oil	2,000	15	102	60	86	Mitsubishi Chem. Ind.	2,622	10	128	□ 78	122
Shipbuilding & Machinery						New Japan Nitro-Fertilizer	1,200	15	104	□ 67	99
Ebara Mfg.	400	20	156	122	153	Nippon Carbide	340	15	100	51	107
Fuji Electric	1,500	18	88	73	87	Nippon Chem. & Medicine	500	20	146	92	143
Furukawa Electric	3,000	12	87	65	83	Nippon Soda	1,160	15	114	56	120
Hitachi, Ltd.	6,600	15	86	66	95	Nippon Synthetic Chem. Ind. .	420	15	94	55	110
Hitachi Shipbuilding	3,160	10	81	41	77	Kyowa Fermentation Ind.	1,166	20	150	100	120
Japan Precision Ind.	400	20	160	113	157	Nissan Chemical Ind.	2,000	15	100	67	87
Japan Rolling Stock Mfg.	440	20	170	112	123	Nitto Chem. Ind.	2,000	15	109	67	109
Kawasaki Dockyard	3,360	12	80	58	75	Sankyo	520	25	183	129	168
Mitsubishi Elec. Mfg.	3,600	18	112	□ 73	87	Showa Denko	2,200	15	130	67	134
Mitsubishi Heavy Ind., Reorg. .	5,600	12	109	70	95	Toa Gosei Chemical Ind.	1,200	25	156	86	150
Mitsubishi Japan Heavy Ind. .	3,000	12	80	57	73	Toyo Katsui Ind.	1,800	20	173	97	168
Mitsubishi Shipbldg. & Eng. .	2,800	12	111	68	112	Miscellaneous					
Mitsui Shipbldg. & Eng.	1,120	16	144	98	139	Asahi Glass	3,100	20	185	133	173
Nippon Electric	1,000	15	137	92	111	Fuji Photo Film	2,000	20	183	174	149
Nippon Kogaku	310	15	170	129	146	Konishiroku Photo Industry ..	1,200	20	131	99	111
Yokogawa Electric	300	20	121	77	136	Nippon Musical Instruments ..	300	25	213	152	186
Tokyo Shibaura Electric	6,392	12	80	62	75	Nippon Sheet Glass	1,200	20	235	□ 130	159
Steel & Metal						Oriental Can	(A) 400	20	1,750	1,440	1,620
Fuji Iron & Steel	8,400	12	66	54	70	Tokyo Rope	420	10	172	127	149
Kawasaki Steel	4,000	—	62	37	62	Yokohama Rubber	894	8	217	□ 140	142
Nippon Light Metal	2,475	10	199	165	168	Paper & Printing					
Nippon Steel Tube	5,000	15	100	62	96	Hokuetsu Paper Mills	900	10	73	46	70
Sumitomo Metal Ind.	5,000	10	80	52	66	Honshu Paper	2,000	12	105	83	90
Yawata Iron & Steel	9,600	12	71	59	73	Jujo Paper	1,120	30	300	196	266
Textiles						Mitsubishi Paper Mills	900	15	103	83	92
Asahi Chemical	(B) 2,450	25	405	280	404	Oji Paper	1,600	25	262	178	240
Chuo Textile	500	12	63	41	54	Toppan Printing	300	23	174	135	165
Dai Nippon Spinning	5,250	18	96	75	94	Lumber & Ceramics					
Daito Woollen Spinning	1,200	20	116	75	113	Iwaki Cement	800	40	297	218	254
Fuji Spinning	2,000	20	134	100	123	Nihon Cement	2,500	24	174	120	158
Japan Wool Textile	1,280	30	253	191	232	Nippon Gaiishi	350	25	230	197	210
Kanegafuchi Spinning	1,780	20	146	105	156	Nippon Toki	350	25	230	190	203
Katakura Industry	1,000	—	46	28	34	Onoda Cement	5,120	18	95	75	91
Kokoku Rayon	3,000	10	76	50	72	Land, Warehouse & Trade					
Kokusaku Pulp	1,200	20	150	79	142	Heiwa Real Estate	1,260	10	417	□ 168	214
Kurashiki Rayon	1,500	15	144	69	154	Mitsui Bussan	878	20	194	□ 119	175
Kurashiki Spinning	2,000	20	123	81	109	Mitsui Real Estate	200	20	875	749	761
Kureha Spinning	1,750	12	99	69	77	Mitsubishi Estate	2,064	20	594	455	184
Mitsubishi Rayon	1,500	20	148	115	143	Mitsubishi Shoji	2,500	16	155	87	157
Nisshin Cotton Spinning	1,040	30	290	248	251	Mitsubishi Warehouse	600	10	127	73	94
Nitto Spinning	1,350	15	86	54	78	Dept. Stores & Amusements					
Sanyo Pulp	2,175	20	162	80	156	Mitsukoshi	1,860	23	321	255	278
Teikoku Linen	720	10	72	34	42	Nikkatsu	3,287	15	103	71	78
Teikoku Rayon	3,200	20	171	114	173	Shochiku Motion Picture	1,320	25	224	186	214
Toho Rayon	1,500	20	133	93	125						
Tohoku Pulp	1,560	20	138	91	136						
Toyo Rayon	3,000	20	225	148	236						
Toyo Spinning	4,300	22	180	128	175						

Notes: (A) 500 yen shares. (B) 100 yen shares, others 50 yen. □ ex-new.

34. Exports and Imports by Country

(In million yen)

Settlement Area	Countries	Exports				Imports			
		1953 Total	1954 Total	Sept. 1955	Oct. 1955	1953 Total	1954 Total	Sept. 1955	Oct. 1955
	Total Exports & Imports	458,943	586,562	63,450	68,004	867,469	863,785	64,948	73,148
	Asia Total	235,630	286,846	23,470	27,899	287,562	265,259	23,604	26,799
0	Korea	38,459	24,684	888	657	3,084	2,911	229	130
\$	China	1,634	1,878	714	377	10,692	14,677	2,884	2,814
\$	Ryukyu Islands	17,070	15,529	1,408	1,666	5,105	3,645	379	426
\$	Hong Kong	22,400	27,815	2,586	3,561	2,880	1,426	197	200
0	Formosa	21,948	23,734	1,439	1,839	23,054	20,552	1,189	1,861
	Southeast Asia Total	118,324	161,444	15,608	20,244	194,017	165,301	13,892	15,125
0	Indo-China	2,744	4,654	1,970	1,788	5,729	5,233	18	98
0	Thailand	18,418	23,438	2,292	3,578	30,473	24,901	1,049	652
\$	Malayan Union	2,661	3,360	378	378	18,147	20,326	3,642	4,025
\$	Singapore	11,553	13,281	1,821	1,852	18,147	2,648	571	522
0	Philippines	9,616	11,229	1,685	2,043	22,582	24,166	2,398	2,899
\$	British Borneo	179	179	35	43	7,776	6,986	727	689
0	Indonesia	37,957	43,097	1,057	1,675	17,585	21,682	1,952	2,133
\$	Burma	11,905	16,413	1,409	1,118	18,090	22,713	930	552
\$	India	9,871	15,788	2,407	2,932	27,051	18,562	2,895	3,227
\$	Pakistan	5,367	20,160	544	567	39,891	13,028	687	667
\$	Ceylon	4,998	6,226	626	751	792	950	53	150
\$	Portuguese India	204	170	—	12	1,415	2,347	70	247
\$	Afghanistan	1,873	2,734	124	200	538	1,325	118	40
\$	Iran	5,282	8,446	601	552	5,375	7,722	775	472
\$	Iraq	5,158	6,110	300	535	314	217	96	125
\$	Aden	1,415	3,348	184	222	708	102	62	183
\$	Saudi Arabia	792	999	226	105	35,217	39,916	2,392	3,400
\$	Kuwait	1,186	1,682	178	195	3,346	3,887	423	650
0	Turkey	442	2,444	1	739	1,567	2,091	118	11
\$	Jordan	366	562	41	39	—	50	—	75
\$	Syria	407	1,355	141	147	5	222	113	109
\$	Lebanon	162	458	35	25	—	146	—	—
	Europe Total	42,748	52,665	5,339	6,209	73,068	69,526	5,094	5,958
0	Sweden	3,464	3,031	344	392	4,667	3,268	91	131
\$	Denmark	1,499	471	32	66	1,549	1,343	39	79
\$	United Kingdom	11,931	18,405	1,413	1,680	17,577	13,358	1,946	1,281
0	Netherlands	5,539	7,855	807	795	5,830	4,227	240	315
\$	Belgium & Luxemburg	2,166	2,896	402	467	3,136	4,955	156	348
0	France	4,239	4,189	298	499	9,628	7,400	519	474
0	West Germany	5,697	6,514	567	791	13,681	15,880	1,123	1,145
\$	East Germany	—	880	313	—	2,116	1,897	269	355
\$	Switzerland	1,640	1,708	207	152	2,900	3,925	420	240
\$	Spain	220	564	9	176	4,515	4,783	69	275
0	Italy	1,500	1,940	181	265	3,057	6,295	84	1,049
\$	Norway	908	420	51	34	681	150	6	15
0	Finland	1,448	551	19	21	1,293	815	11	23
\$	Austria	48	282	72	67	378	324	17	46
	North America Total	105,529	125,456	18,882	19,560	368,403	396,858	25,912	30,552
\$	Canada	5,438	7,576	1,427	1,881	45,670	44,117	3,171	1,571
\$	U.S.A.	81,663	99,655	16,392	16,416	272,810	304,899	18,755	24,254
\$	Mexico	4,324	10,363	174	426	30,289	33,219	18,000	2,947
\$	Nicaragua	712	1,397	72	65	1,366	3,031	443	610
\$	Cuba	674	1,092	108	116	17,494	8,789	1,074	335
\$	Panama	9,153	554	179	73	503	909	2	—
\$	Colombia	1,730	3,415	189	163	155	200	29	18
\$	Ecuador	408	477	94	42	78	2,122	8	4
	South America Total	20,970	56,924	5,392	4,506	45,297	63,829	2,245	3,212
\$	Peru	1,007	1,670	216	180	5,489	7,315	225	823
0	Brazil	7,826	28,155	1,649	1,052	14,081	26,580	1,081	1,541
0	Argentina	5,624	17,592	2,281	2,255	18,577	21,800	125	728
\$	Chile	1,136	447	217	166	1,489	863	13	—
\$	Uruguay	213	892	71	85	4,887	794	—	2
	Africa Total	46,361	49,857	7,388	7,516	20,113	18,462	2,152	1,898
0	Egypt	1,085	2,312	499	377	8,217	10,086	927	939
\$	Nigeria & Gold Coast	8,057	15,305	2,567	2,254	459	111	—	—
\$	Liberia	19,277	9,055	2,184	2,422	—	87	9	—
\$	Belgian Congo	2,861	4,249	93	111	61	25	4	9
\$	British Congo	325	1,247	613	566	1,700	2,173	220	226
\$	Union of South Africa	10,146	10,885	697	948	7,047	3,807	688	387
	Australia & Oceania Total	7,705	14,794	2,979	2,315	73,026	49,769	5,940	4,723
\$	Australia	3,244	10,155	1,857	1,774	62,037	42,160	4,994	3,798
\$	New Zealand	492	941	336	89	3,614	1,612	301	159
\$	Hawaii	2,534	2,092	580	217	679	638	22	123
0	New Caledonia	116	105	—	37	2,424	1,217	306	285
0	French Oceania	116	74	3	5	1,516	1,425	136	195
\$	Hawaiian Territory	2,534	2,097	582	217	679	638	22	123

Source: Finance Ministry.

Note: 0 denote open account area; \$, dollar area; £, pound area.

35. Exports by Major Articles

(In million yen)

Articles	Unit	1954		1955			
		Aggregate		September		October	
		Volume	Value	Volume	Value	Volume	Value
Food, Beverage & Tobacco	—	—	48,477	—	4,124	—	4,847
Fish & Shellfish	m.t.	83,641	29,734	12,134	2,458	—	3,209
Canned, Bottled Fish	"	55,741	15,324	5,989	1,746	8,630	2,391
Cereals	"	—	2,021	—	67	—	89
Fresh & Frozen Fruit	m.t.	94,198	6,884	5,943	335	10,308	497
Sugar & Its Products	m.t.	28,452	1,254	3,210	134	85	16
Tea	1,000 lbs.	37,872	4,880	6,034	640	5,012	520
Beer	kl.	9,763	717	394	33	435	34
Tobacco	—	—	315	—	24	—	10
Raw Materials	—	—	29,378	—	3,739	—	3,797
Lumber	cu.m.	352,185	7,570	37	861	53,941	1,222
Textile Fibre	1,000 lbs.	45,627	18,412	7,710	2,570	5,875	2,263
Raw Silk	bales	10,154	16,880	10,772	2,296	9,617	2,001
Fertilizers & Mineral Products	—	—	586	—	40	—	16
Animal & Vegetable Materials	—	—	2,505	—	167	—	196
Coal & Petroleum	—	—	2,041	—	183	—	155
Animal & Vegetable Oils	—	—	4,678	—	182	—	330
Animal Oil	m.t.	19,209	3,388	—	178	—	295
Cod-liver Oil	"	9,423	2,724	499	177	407	132
Vegetable Oil	"	9,959	1,222	26	4	204	33
Chemicals, Drugs	—	—	28,404	—	2,338	—	2,370
Pharmaceuticals	—	—	3,265	—	352	—	224
Chemical Fertilizer	m.t.	714,737	13,311	28,093	620	36,661	796
Manufactured Products by Material	—	—	388,949	—	36,261	—	37,639
Rubber Goods	—	—	2,923	—	312	—	428
Tyres & Inner Tubes	m.t.	5,442	2,087	675	240	929	347
Wood & Cork Products	—	—	11,615	—	1,415	—	1,488
Paper & Related Products	m.t.	61,644	5,129	6,091	505	6,269	522
Textiles	—	—	197,944	—	18,052	—	19,285
Woollen Yarn	1,000 lbs.	11,862	9,475	769	659	594	497
Cotton Yarn	"	29,547	8,493	1,819	664	2,093	576
Rayon Yarn	"	56,482	10,542	1,191	210	730	126
Spun Rayon Yarn	"	17,352	3,522	2,734	403	3,485	534
Cotton Fabrics	1,000 sq. yds.	1,278,075	90,835	93,424	6,960	105,094	7,645
Silk Fabrics	"	25,911	4,911	2,656	461	2,723	520
Woollen Fabrics	"	12,051	6,053	1,796	1,065	2,017	1,193
Artificial Fibre Fabrics	"	583,442	39,345	84,341	5,150	86,342	5,452
Non-Metallic Minerals	—	—	29,915	—	2,840	—	2,968
Cement	m.t.	904,568	6,853	127,958	852	132,399	861
Glass Products	—	—	3,557	—	446	—	419
Chinaware	—	—	12,545	—	1,320	—	1,397
Precious Metals & Gems	—	—	6,608	—	609	—	645
Cultured Pearls	kg.	12,154	2,664	1,232	215	1,481	257
Base Metals & Products	—	—	74,969	—	10,593	—	10,185
Iron & Steel	m.t.	1,183,019	69,913	166,083	8,282	154,248	7,919
Steel Bars & Shapes	"	195,872	7,010	36,446	1,302	36,454	1,315
Steel Plates (ungalvanized)	"	311,303	15,571	21,717	1,199	21,096	1,170
Copper	"	30,194	8,331	3,974	1,437	3,322	1,202
Nickel	"	—	—	154	197	293	276
Aluminium	"	14,343	2,941	1,851	416	2,198	495
Metal Products	—	—	14,679	—	1,924	—	2,115
Machinery & Transportations Equipment	—	—	72,825	—	7,346	—	9,555
Machinery (excl. electric machines)	—	—	36,493	—	2,947	—	3,106
Prime Movers	—	—	2,087	—	—	—	—
Metal Processing Machines	—	—	853	—	45	—	308
Textiles Machines & Parts	—	—	16,378	—	899	—	566
Sewing Machines & Parts	—	—	11,368	—	1,332	—	1,323
Electric Machines	—	—	8,275	—	1,101	—	998
Gen. Motors, Trans. & Alternators	unit	—	2,067	—	401	—	174
Electric Bulbs	1,000 pcs.	—	1,310	18,282	162	15,136	150
Transportation Equipment	—	—	28,056	—	3,298	—	5,450
Railway Rolling Stock	—	—	2,876	—	398	—	437
Automobiles	—	—	2,307	—	209	—	351
Bicycles & Parts	m.t.	462	2,483	—	163	—	316
Ships	unit	—	20,322	25	2,526	44	4,335
Miscellaneous (incl. others)	—	—	59,705	—	9,057	—	9,004
Camera	—	—	3,442	28,724	192	26,435	172
Toys	m.t.	33,041	11,294	4,819	1,621	4,920	1,581
Totals Exports (incl. others)	—	—	586,562	—	63,450	—	68,004

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.
Source: Customs Division, Tax Bureau, Ministry of Finance.

36. Imports by Major Articles

(In million yen)

Articles	Unit	1954		1955		1955	
		Aggregate		September		October	
		Volume	Value	Volume	Value	Volume	Value
Food, Beverage & Tobacco.....	—	—	235,363	—	16,153	—	15,860
Cereals (rice, wheat & barley, etc.)	m.t.	4,624,893	175,931	371,650	11,142	356	11,619
Fruit & Vegetables	"	134,663	7,560	15,682	681	8,467	388
Sugar	"	1,182,131	40,668	97,434	3,174	75,642	2,590
Coffee	1000. lbs.	898,611	1,576	857	179	965	196
Spirits	l.	952,549	852	—	28	—	13
Raw Materials	—	—	405,317	—	31,475	—	35,103
Hides & Skins	m.t.	46,911	7,130	6,199	815	4,908	575
Cow Hide	"	34,405	4,403	5,213	597	3,172	348
Box Calf	"	6,670	1,907	572	152	504	127
Oil Seeds	"	713,094	34,854	85,999	3,864	69,812	3,213
Peanuts	"	7,225	731	1,028	74	272	20
Copra	"	40,691	3,264	3,034	216	5,772	369
Soy-beans	"	507,765	23,937	60,891	2,589	38,914	1,659
Rubber	"	100,866	15,534	7,797	1,999	9,547	2,904
Crude Rubber	"	81,472	13,850	5,528	1,712	7,553	2,591
Latex	"	5,409	862	607	149	760	166
Synthetic Rubber	"	2,205	699	389	117	554	135
Lumber & Cork	c.m.	—	18,021	—	1,743	—	1,830
Lumber	"	1,869,020	17,296	163,222	1,694	167,707	1,773
Cork	m.t.	6,522	684	398	45	345	54
Pulp & Scrap Paper	—	—	8,742	—	415	—	598
Fibres & Textiles	1,000 lbs.	1,525,113	222,480	84,184	11,618	109,946	14,374
Silk (incl. cocoons)	1,000 lbs.	1,679	601	220	54	121	33
Wool	"	164,247	57,173	13,118	4,024	13,886	4,107
Cotton	"	1,078,856	147,378	50,506	6,555	71,153	8,940
Cotton Linter	"	33,480	785	3,735	91	2,265	68
Waste Cotton	"	77,428	7,440	4,500	337	7,524	510
Hard & Bast Fibres	"	150,075	7,024	11,167	476	13,967	613
Jute	"	59,580	2,106	4,017	129	4,448	148
Flax	"	6,473	781	451	52	428	44
Sisal Hemp	"	20,666	781	1,640	56	2,002	73
Manila Hemp	"	60,182	3,027	5,059	239	6,986	343
Fertilizers & Non-metallic Minerals	m.t.	—	30,013	—	2,964	—	3,991
Fertilizers	"	2,050,195	19,548	186,207	2,073	251,985	2,646
Salt	"	1,743,530	5,778	146,446	557	285,875	978
Asbestos	"	20,281	1,415	1,328	92	1,376	91
Magnesite	"	41,061	757	2,221	38	3,232	58
Metals & Ores	m.t.	6,753,936	61,611	850,731	7,287	782,651	7,000
Iron Ore	"	5,004,787	23,845	591,837	3,170	548,811	3,043
Scrap Iron	"	978,103	15,796	163,310	2,982	140,243	2,571
Non-ferrous Metals	"	697,191	9,069	94,681	995	93,320	1,178
Nickel	"	146,889	1,470	4,242	199	6,424	333
Aluminium	"	294,199	1,228	35,447	230	38,715	284
Manganese	—	113,762	1,274	25,625	112	21,815	100
Animal Materials	—	—	2,328	—	168	—	222
Vegetable Materials	—	—	4,603	—	560	—	395
Coal & Petroleum	—	—	96,246	—	7,540	—	9,458
Coal	m.t.	3,607,889	22,702	197,503	1,378	288,877	2,179
Anthracite	"	368,221	2,346	9,542	64	2,644	16,465
Bituminous (for coking)	"	3,072,011	19,438	187,961	1,314	286,200	2,162
Petroleum	k.l.	10,430,452	71,723	914,452	6,010	1,071,103	7,221
Crude & Unrefined	"	7,415,984	48,247	685	4,272	734,804	4,600
Gasoline	"	430,022	5,049	21,550	266	12,992	154
Kerosene & Gas Oil	"	111,019	1,223	8,256	82	64,867	627
Fuel Oil	"	2,429,769	15,673	196,754	1,285	256,496	1,743
Lubricants (excl. grease)	"	43,658	1,531	1,872	97	1,944	98
Petroleum Coke	m.t.	113,953	1,005	8,190	84	3,493	38
Animal & Vegetable Oils	—	—	8,614	—	963	—	1,157
Animal Fats & Oils	m.t.	95,113	6,815	6,767	534	10,619	816
Vegetable Oils	"	16,408	1,637	5,844	412	3,222	309
Chemical, Drugs	—	—	22,989	—	2,319	—	2,381
Manufactured Products by Material	—	—	22,068	—	2,300	—	1,924
Hides, Leathers & Furs	m.t.	408	678	—	107	—	83
Rubber Goods	—	—	252	—	13	—	15
Paper & Related Products	m.t.	4,470	441	66	12	41	14
Yarns & Fabrics	—	—	2,873	—	897	—	239
Base Metals	m.t.	125,106	13,166	—	164	—	112
Iron & Steel	"	88,054	4,026	3,594	238	8,046	351
Tin	"	5,128	3,598	509	424	682	526
Machinery & Transportation Equipment	—	—	63,747	—	3,403	—	4,818
Machinery (excl. electric machines)	—	—	40,455	—	2,338	—	2,931
Electric Machines	—	—	4,734	—	331	—	924
Transportation Equipment	—	—	18,557	—	734	—	1,163
Miscellaneous	—	—	8,339	—	611	—	568
Total Imports (incl. others)	—	—	863,785	—	64,948	—	73,148

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.
Source: Customs Division, Tax Bureau, Ministry of Finance.

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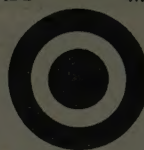
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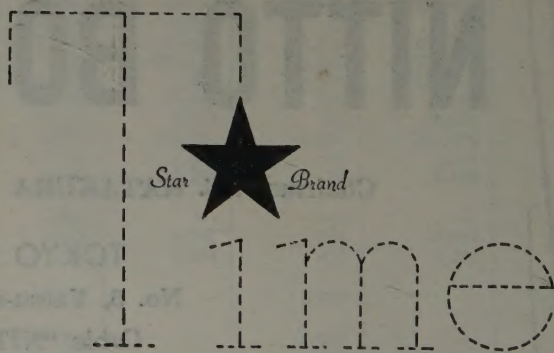
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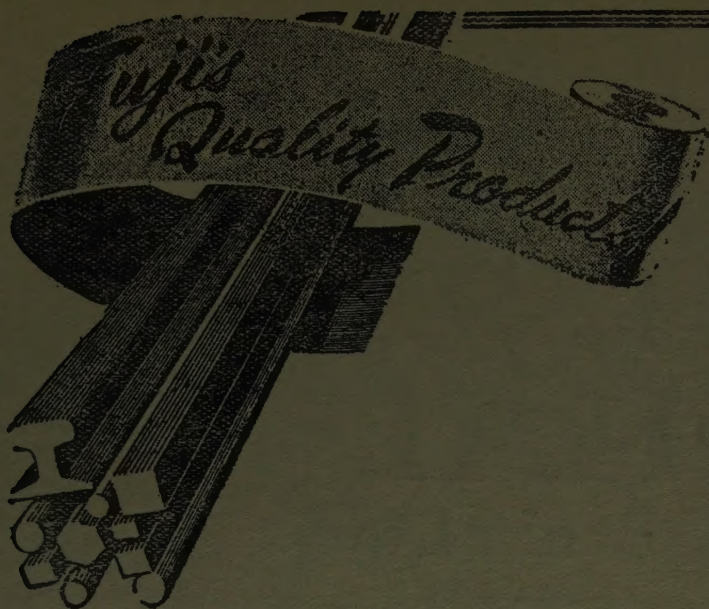
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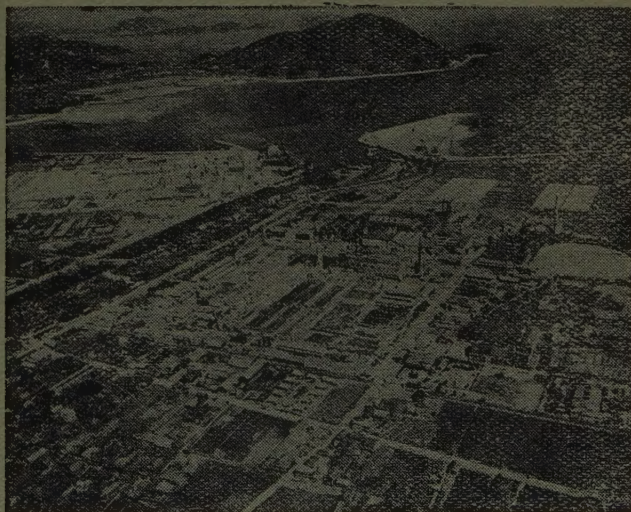
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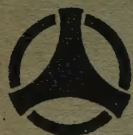
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